



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

2016

Feedback Statement to Consultation Paper CP 104 - External Audit of Solvency II Regulatory Returns / Public Disclosures



Next Steps:

The Central Bank's Requirement for External Audit of Solvency II Regulatory Returns/Public Disclosures, as outlined in Section 3 of this Feedback Statement to Consultation Paper CP 104 - External Audit of Solvency II Regulatory Returns / Public Disclosures, will apply to all undertakings subject to Solvency II and for periods ending on or after 31 December 2016.

Regulation 37 of S.I. No. 485 of 2015 - European Union (Insurance and Reinsurance) Regulations 2015 ("Regulation 37") enables the Central Bank, by notice in writing, to require that elements of the quantitative information submitted by insurance and reinsurance undertakings be audited, and that the audit report should include a reasonable assurance opinion on the elements of the SFCR relevant to the balance sheet, own funds and capital requirements as described in Regulation 52 of S.I. No. 485 of 2015. In accordance with Regulation 37, the audit report shall be made to the Central Bank.

Notice in writing will be provided to the Solvency II undertaking and the auditor of the undertaking either by post (in accordance with the requirements of section 61G (1) of the Central Bank Act 1942 as amended) or by email (in accordance with the requirements of Regulation 309 of S.I. No. 485 of 2015).

Contents

Section 1: Introduction.....	1
Background.....	1
General application and implementation	1
Legal Basis.....	1
Technical Guidance.....	2
Responses.....	2
Overview of feedback.....	2
Section 2: Specific areas where comments were received	4
Section 3: The Central Bank’s Requirement for External Audit of Solvency II Regulatory Returns/Public Disclosures	10
Entities included in scope	10
Groups	10
Quantitative Reporting Templates (QRTs)	10
Undertakings using approved full or partial internal models	11
Who shall undertake the audit.....	12
General application and implementation	12
Level of assurance	13
Opening balances	13
Approvals, waivers and supervisory determinations.....	14
Timing & frequency of audit.....	14
Appendix 1: Regulation 37 of S.I. No. 485 of 2015 – European Union (Insurance and Reinsurance) Regulations 2015.....	15
Appendix 2: Proposed elements of the SFCR to be included in scope at solo level	16
Appendix 3: Proposed elements of the SFCR to be included in scope at group level ..	18

Section 1: Introduction

Background

1. On 1 June 2016 the Central Bank of Ireland (the “Central Bank”) published Consultation Paper CP 104 (“CP 104”) on the External Audit of Solvency II Regulatory Returns / Public Disclosures.
2. Under Solvency II, undertakings are required to prepare a Solvency and Financial Condition Report (“SFCR”) on an annual basis. This report forms part of a suite of regulatory returns and is also publicly disclosed by undertakings as part of their regulatory reporting requirements. Regulation 37 of S.I. No. 485 of 2015 - European Union (Insurance and Reinsurance) Regulations 2015 (“Regulation 37”) enables the Central Bank, by notice in writing, to require that elements of the quantitative information submitted by insurance and reinsurance undertakings be audited, and that the audit report should include a reasonable assurance opinion on the elements of the SFCR relevant to the balance sheet, own funds and capital requirements (“the relevant elements”) as described in Regulation 52 of S.I. No. 485 of 2015 (“Regulation 52”). In accordance with Regulation 37, the audit report shall be made to the Central Bank.

General application and implementation

3. The Central Bank’s Requirement under Regulation 37 as outlined in Section 3 of this document (“the Requirement”) will apply to all undertakings subject to Solvency II and for periods ending on or after 31 December 2016.

Legal Basis

4. Regulation 37 stipulates that the Central Bank must specify the required information to be submitted ‘by notice in writing’. Notice in writing will be provided to the

Solvency II undertaking and the auditor of the undertaking either by post (in accordance with the requirements of section 61G (1) of the Central Bank Act 1942 as amended) or by email (in accordance with the requirements of Regulation 309 of S.I. No. 485 of 2015).

Technical Guidance

5. For the purposes of this engagement auditors are expected to undertake the audit in accordance with applicable auditing standards.
6. Chartered Accountants Ireland has established a working group which, in consultation with the Central Bank, will develop Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.

Responses

7. The consultation period for CP 104 closed on 29 July 2016 and 11 responses were received which can be categorised as follows:
 - Accountancy bodies or practices 3
 - Insurance undertakings 3
 - Industry bodies 2
 - Actuarial practices 2
 - Insurance managers 1
8. Section 2 of this document summarises the responses received to CP 104 and outlines the Central Bank's decisions in relation to the themes arising from the comments received. All of the responses are available on our website at this [link](#). A copy of CP 104 is available for download at this [link](#).

Overview of feedback

9. The responses received were largely supportive of the Requirement.

10. Key themes identified by respondents included comments on the application of proportionality, the proposed scope, requests for clarifications in some areas and several queries relating to audit technical points.
11. A number of high level observations and suggestions to enhance the proposals made in CP 104 have been taken on board where it is considered that they provide greater clarity as to the intent of the Requirement.
12. Finally, the Central Bank thanks all parties who responded to CP 104 for their contributions.

Section 2: Specific areas where comments were received

Requirement Section	Summary of Comments Received	Central Bank Response
Entities included in scope	Almost half of the respondents considered that some undertakings, for example captives or Low Impact undertakings, should be excluded from scope on the basis of proportionality.	<p>Although reinsurance undertakings were not subject to the audit requirement under the Solvency I regime, the regulatory returns of all insurance undertakings, including captives and Low Impact undertakings, were subject to the audit requirement.</p> <p>The Central Bank intends to use the audited SFCR, in conjunction with the audited financial statements and other regulatory reporting, to assist it in its supervision of undertakings. As such, all undertakings subject to Solvency II will be in scope for the purposes of the Requirement.</p>
Groups	A small number of respondents provided comments stating that there would be challenges for both groups and auditors in auditing Group QRTs, particularly the SCR where the individual SCRs of some group companies are not subject to audit.	The Central Bank has clarified that the SCR and own funds QRTs are in scope only for Solvency II groups for which the Central Bank is Group Supervisor (at the level referred to in Regulation 216(3)(a) and (b) of S.I. No. 485 of 2015).

**Feedback Statement to Consultation Paper CP 104 -
External Audit of Solvency II Regulatory Returns / Public Disclosures**

Quantitative Reporting Templates (QRTs)	<p>More than half of the respondents requested confirmation that the period ended 31 December 2014 is the base reference year for all years up to 31 December 2023 in respect of the claims triangles, with a small number of respondents requesting that the claims tables be excluded from the audit scope.</p>	<p>The Central Bank confirms that for undertakings with a 31 December 2016-year end, the period ended 31 December 2014 will be the base reference period and as such will continue to be the first period audited for the purposes of the claims triangles for the following nine years.</p> <p>For the avoidance of doubt the Central Bank has clarified the wording of the Requirement accordingly.</p>
	<p>More than half of the respondents requested clarification in relation to which qualitative information should be considered as part of the engagement. It was also requested that the Requirement be amended to ensure greater alignment with auditing standards.</p>	<p>Regulation 37 specifies that it is “elements of the quantitative information” that are subject to audit. The Central Bank notes that in order to provide a reasonable assurance on the quantitative elements, qualitative aspects of the SFCR will also need to be considered. The Central Bank has reworded the Requirement to clarify this.</p>
Undertakings using approved full or partial internal models	<p>More than half of the respondents cited concerns with respect to the inclusion of the SCR and MCR in scope for undertakings with approved partial internal models.</p>	<p>Cognisant of the Central Bank’s engagement and oversight of firms with approved full and partial internal models, and on the basis of the concerns highlighted by respondents and the difficulties inherent in scoping an audit of the SCR and MCR for undertakings with approved partial internal models, the Central Bank has amended the Requirement such that the SCR and MCR will not be in scope for undertakings with approved internal and partial internal models.</p>

**Feedback Statement to Consultation Paper CP 104 -
External Audit of Solvency II Regulatory Returns / Public Disclosures**

Who shall undertake the audit	A small number of respondents queried whether the use of the incumbent auditor is mandatory.	The Central Bank is of the view that to ensure an effective and efficient audit, the most appropriate person to undertake the audit is the incumbent auditor. In line with the Solvency I regime, this Requirement will remain unchanged.
	The majority of respondents requested clarification in relation to the use of the work of an expert, specifically the extent to which the auditor may rely on the work of the Head of Actuarial Function (“HoAF”) and/or the Reviewing Actuary.	Auditors may rely on the work of an expert in accordance with applicable auditing standards and the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.
	A small number of respondents highlighted views in relation to the perceived overlap and/or differences in requirements contained within the Domestic Actuarial Regime and the Requirement.	The Central Bank acknowledges that elements of the regimes are similar but not identical. However, it is noted that the Domestic Actuarial regime and the Requirement were developed to meet differing objectives. As such the Central Bank does not intend to make any changes in this regard.
General application and implementation	A small number of respondents are of the view that the appropriate addressee of the audit report is the insurance or reinsurance undertaking whose SFCR is the subject of the audit report. The undertaking would then in turn provide the audit report to the Central Bank. Another respondent suggested that the insurance undertaking should be co-addressee on the audit report.	In accordance with Regulation 37 the audit report will be addressed to the Central Bank only. This has been clarified in the amended wording of this section.

**Feedback Statement to Consultation Paper CP 104 -
External Audit of Solvency II Regulatory Returns / Public Disclosures**

	<p>A small number of respondents believe that there should be a requirement for a Director’s Responsibility Statement to be included in the SFCR.</p>	<p>The Central Bank considers that this has been addressed in the “Guideline for Solvency II (Re)Insurance Undertakings on Directors’ Certifications” which sets out directors’ requirements in relation to submission of the Compliance Statement and Directors’ Accuracy Certifications to the Central Bank.</p> <p>In addition to specifying directors’ responsibilities in the audit report, auditors may also request a representation letter from the directors.</p>
	<p>A small number of respondents highlighted concerns that as the existence of the private audit report may be referred to in the public SFCR it will be important that the language used in any reference in the SFCR to the private audit report does not serve to create false confidence amongst users of the SFCR.</p>	<p>The Central Bank note this concern and are of the view that the appropriate place to address this point and set out a consistent form of wording for this reference to the private audit report is in the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.</p>
	<p>A small number of respondents were concerned that guidance for auditors would not be available in time for the 31 December 2016 year end.</p>	<p>The Central Bank notes that Chartered Accountants Ireland, following publication of this feedback statement finalising the Requirement, will work to develop Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.</p>
<p>Level of assurance</p>	<p>A small number of respondents highlighted that paragraph 6.16 in CP 104 refers to the inclusion of the QRT relating to long-term guarantees within the scope of the engagement and requested clarification as to whether this QRT is included in scope.</p>	<p>The Central Bank confirms that the QRT relating to long term guarantees is not in scope for the purposes of this engagement. The inconsistent reference has been removed.</p>

**Feedback Statement to Consultation Paper CP 104 -
External Audit of Solvency II Regulatory Returns / Public Disclosures**

	<p>Almost half of the respondents requested more detail with respect to the exact nature of the reasonable assurance opinion required.</p>	<p>The exact wording of the audit opinion to be provided will be included in the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37. The Central Bank will be consulted as this is developed. Auditors will be asked to provide a reasonable assurance opinion that the specified quantitative reporting templates (QRTs) of the SFCR have been properly prepared, in all material respects, in accordance with the Solvency II Regulations.</p>
<p>Opening balances</p>	<p>A small number of respondents provided conflicting comments in relation to the role of the Central Bank in determining the audit procedures required in respect of the audit of opening balances.</p>	<p>Auditors should determine the appropriate audit procedures in respect of opening balances in accordance with applicable auditing standards and the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.</p>
<p>Approvals, waivers and supervisory determinations</p>	<p>A small number of respondents highlighted that in some areas the Solvency II Regulations specify that matters are subject to supervisory determination or that the Central Bank may have approved the use of transitional measures. It was requested that clarification be provided that in those instances the auditor can rely without verification on any such determinations that the Central Bank has made, and that auditors will not be required to express an opinion on the appropriateness of a transitional measure which has been subject to Central Bank approval.</p>	<p>A new section has been inserted into the Requirement in respect of approvals, waivers and supervisory determinations to provide clarity in this regard.</p>

**Feedback Statement to Consultation Paper CP 104 -
External Audit of Solvency II Regulatory Returns / Public Disclosures**

Timing & frequency of audit	A small number of respondents expressed concerns with respect to the timing of the audit requirement, stating that it will be challenging for undertakings to meet the audit deadline in addition to the other new requirements imposed on undertakings under Solvency II. It was further highlighted by two respondents that the consultation did not address year ends falling before 31 December 2016.	The Central Bank notes that undertakings with a year-end prior to 31 December 2016 will not be subject to the Central Bank's Requirement under Regulation 37 in respect of their 2016-year end. Solvency II came into effect on 1 January 2016 and as such Solvency II was not applicable for the full period in the case of those undertakings. The Requirement will apply for all year ends falling on or after 31 December 2016.
	A small number of respondents set out their concerns with regard to the situation where a qualified audit report could be submitted to the Central Bank on the same day that the SFCR is published.	Where an auditor qualifies their audit opinion the insurance undertaking should notify the Central Bank prior to publication of the SFCR to determine the most appropriate course of action, mindful of the public disclosure requirements arising under Solvency II. This has been clarified in the amended wording of this section.

Section 3: The Central Bank's Requirement for External Audit of Solvency II Regulatory Returns/Public Disclosures

Regulation 37 of S.I. No. 485 of 2015 - European Union (Insurance and Reinsurance) Regulations 2015 ("Regulation 37") is prescriptive in relation to the scope of the audit stating that a reasonable assurance audit opinion shall be sought, in a report made to the Central Bank, on "the elements of the report on the solvency and financial condition of the undertaking as referred to in Regulation 52 relevant to the balance sheet, own funds and capital requirements".

Entities included in scope

1. All insurance and reinsurance undertakings subject to Solvency II and regulated by the Central Bank are in scope.

Groups

2. With regard to Solvency II groups for which the Central Bank is Group Supervisor (at the level referred to in Regulation 216(3)(a) and (b) of S.I. No. 485 of 2015), the Solvency Capital Requirement ("SCR") and own funds Quantitative Reporting Templates ("QRTs") are included in scope.

Quantitative Reporting Templates (QRTs)

3. Under Solvency II an SFCR is required from solo undertakings and, where relevant, at group and sub group levels. Appendix 2 lists the QRTs to be audited where an SFCR is published at a solo level. Appendix 3 lists the QRTs to be audited in the case of those groups which are in scope.
4. In respect of QRT S19.01.21 (Information on non-life insurance claims in the format of development triangles for the total non-life business), the claims triangles in this QRT includes a 10 year "look back" period. In recognition of the cost and practicalities

associated with obtaining a reasonable assurance opinion on a 10 year “look back” period the Central Bank has decided to limit the “look back” period subject to audit in the first year to 2 years (i.e. for undertakings with a 31 December 2016-year end, the period ended 31 December 2014 will be the base reference period and as such will continue to be the first period audited for the purposes of the claims triangles for the following nine years).

5. In order to enable the auditors to obtain an understanding of the valuation basis used to calculate the relevant quantitative information and assess consistency between the quantitative and qualitative information on the same items, it is expected that the auditors will review relevant qualitative elements of the SFCR. These may, include, for example, elements of the SFCR sections relating to valuation for solvency purposes and capital management.
6. The auditors read the relevant qualitative elements of the SFCR to identify any material inconsistencies, if any, with information made available to the auditor in the course of the reasonable assurance engagement on the SFCR and, where applicable, in the course of the audit of the financial statements of the entity.
7. The publicly disclosed QRTs in scope will be subject to audit rather than the XBRL submissions to the Central Bank of the same templates. However, it is the expectation of the Central Bank that there shall be no differences between the figures reported in either format.

Undertakings using approved full or partial internal models

8. The capital requirements templates, comprising the SCR and the Minimum Capital Requirement (“MCR”), of undertakings using approved full and partial internal models will be excluded from this Requirement, given the complexity of models, the high cost of audit, the limited additional value and as the internal model is already subject to an undertakings' internal validation and the Central Bank’s approval.

Who shall undertake the audit

9. In accordance with Regulation 37, elements of the quantitative information to be submitted to the Central Bank by insurance and reinsurance undertakings under financial services legislation and other laws applicable in the State shall be audited by a person duly qualified under the Companies Act of 2014 (“the Companies Act”).
10. A “statutory auditor” under the Companies Act, means an individual or a firm (within the meaning of those Regulations) that stands approved as a statutory auditor or statutory audit firm, as the case may be, under the European Communities (Statutory Audits) (Directive 2006/43/EC) Regulations 2010 (S.I. No. 220 of 2010).
11. The incumbent auditor will undertake the audit of Solvency II regulatory returns/public disclosures engagement.
12. As part of their audit, auditors shall determine whether they should use the work of an auditor’s expert, for example an actuarial expert. Auditors may rely on the work of an expert in accordance with applicable auditing standards and the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.

General application and implementation

13. The Requirement takes effect for financial years ending on or after 31 December 2016.
14. For the purposes of this engagement auditors are expected to undertake the audit in accordance with applicable auditing standards and the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37 to be issued by Chartered Accountants Ireland.
15. The audit report will be solely addressed to the Central Bank of Ireland.

Level of assurance

16. As set out in Regulation 37, a reasonable assurance opinion is required on the relevant elements of the SFCR. The QRTs relating to the balance sheet, technical provisions and claims, own funds, the SCR and MCR, with the exception of those elements calculated using an approved internal model, as set out in Appendices 2 and 3, shall be included in scope.
17. The reasonable assurance audit opinion will opine on whether the specified QRTs of the SFCR have been properly prepared, in all material respects, in accordance with the Solvency II regulations¹. The exact wording of the audit opinion to be provided will be included in the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.

Opening balances

18. As part of their procedures to support a reasonable assurance opinion on the relevant elements of the SFCR, it is expected that the auditors will perform certain audit procedures in respect of opening balances under Solvency II as required. A separate audit report will not be required in this regard.
19. Auditors will determine the appropriate audit procedures in respect of opening balances in accordance with applicable standards on auditing and the Technical Guidance for auditors providing reasonable assurance opinions in accordance with Regulation 37.

¹ European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015) and Applicable European Commission Delegated Regulations and European Commission Implementing Regulations designated as designated enactments in section 2(2A) of the Central Bank Act 1942 in particular Commission Implementing Regulation (EU) 2015/2452 of 2 December 2015 laying down implementing technical standards with regard to the procedures, formats and templates of the solvency and financial condition report in accordance with Directive 2009/138/EC of the European Parliament and of the Council

Approvals, waivers and supervisory determinations

20. The auditor is not expected to express an opinion on the validity of an approval, waiver or other supervisory determination. Instead, evidence that an approval, waiver or supervisory determination is in place should be obtained by the auditor (for example obtaining a copy of correspondence from the Central Bank) and, once obtained, approvals, waivers and supervisory determinations provided by the Central Bank should be considered as part of the framework against which the audit opinion is being given.

Timing & frequency of audit

21. The external audit of the relevant elements of the SFCR will be required on an annual basis given that the SFCR is required to be published, and submitted to the CBI at the same time, annually. The audit report shall be submitted in line with the deadlines for reporting to the Central Bank under Solvency II as follows:

Reference Year End	Deadline (Weeks)*	Deadline*
31/12/2016	20	20/05/2017
31/12/2017	18	06/05/2018
31/12/2018	16	22/04/2019
31/12/2019	14	08/04/2020

*The deadline will decrease by two weeks every year until it reaches 14 weeks as prescribed in Article 308b(5) of the Level 1 text².

22. Where an auditor qualifies their audit opinion, the insurance undertaking should notify the Central Bank prior to publication of the SFCR to determine the most appropriate course of action in light of the public disclosure requirements arising under Solvency II.
23. If an SFCR needs to be re-published and therefore re-submitted to the Central Bank, it is proposed that such reports will be re-audited.

² http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AJOL_2014_153_R_0001

Appendix 1: Regulation 37 of S.I. No. 485 of 2015 – European Union (Insurance and Reinsurance) Regulations 2015

Auditor's report

37. (1) Such elements of the quantitative information to be submitted by insurance undertakings and reinsurance undertakings under financial services legislation and other laws applicable in the State adopted pursuant to the Directive as may from time to time be specified by notice in writing by the Bank shall be audited by a person duly qualified under the Act of 2014 who shall make a report to the Bank in a form specified by the Bank from time to time.

(2) The report referred to in paragraph (1) shall include a reasonable assurance opinion on the elements of the report on the solvency and financial condition of the undertaking as referred to in Regulation 52 relevant to the balance sheet, own funds and capital requirements.

(3) Such elements of the quantitative information to be submitted by a participating insurance undertaking or participating reinsurance undertaking, an insurance holding company or a mixed financial holding company (as referred to in Regulation 216(3)(a) and (b)) under financial services legislation and other laws applicable in the State adopted pursuant to the Directive as may from time to time be specified by notice in writing by the Bank shall be audited by a person duly qualified under the Act of 2014 who shall make a report to the Bank in a form specified by the Bank from time to time.

(4) The report referred to in paragraph (3) shall include a reasonable assurance opinion on the elements of the report on the solvency and financial condition of the participating insurance undertaking or reinsurance undertaking, insurance holding company or mixed financial holding company as referred to in Regulation 258 relevant to the balance sheet, own funds and capital requirements.

Appendix 2: Proposed elements of the SFCR to be included in scope at solo level

<p>The quantitative reporting templates (QRTs) in scope as set out in the SFCR – COMMISSION IMPLEMENTING REGULATION (EU) 2015/2452 of 2 December 2015</p>	<p>Auditors may also wish to consider relevant qualitative information as set out in the following sections of the SFCR per Annex XX of the Delegated Regulation (EU) 2015/35</p>
<p>Article 4 (a) - balance Sheet information, as specified in template S.02.01.02 of Annex I, according to the instructions in S.02.01 of Annex II;</p> <p>Article 4 (d) - information on Life and Health SLT Technical Provisions, as specified in template S.12.01.02 of Annex I, according to the Instructions in S.12.01 of Annex II, regarding each line of business as defined in Annex I of the Implementing Measures;</p> <p>Article 4 (e) - information on Non-Life Technical Provisions, as specified in template S.17.01.02 of Annex I, according to the Instructions in S.17.01 of Annex II regarding each line of business as defined in Annex I of Delegated Regulation (EU) 2015/35;</p> <p>Article 4 (f) - information on non-life insurance claims in the format of development triangles for the total non-life business, as specified in template S.19.01.21 of Annex I, according to the Instructions in S.19.01 of Annex II.</p>	<p>D. Valuation for Solvency Purposes</p> <p>D.1 Assets</p> <p>D.2 Technical provisions</p> <p>D.3 Other liabilities</p> <p>D.4 Alternative methods for valuation</p> <p>D.5 Any other information</p>
<p>Article 4 (h) - information on own funds as specified in template S.23.01.01 of Annex I, according to the Instructions in S.23.01 of Annex II, including basic own funds and ancillary own funds.</p>	<p>E. Capital Management</p> <p>E.1 Own funds</p>
<p>Article 4 (i) - information on solvency capital requirement calculated using the standard formula, as specified in template S.25.01.21 of Annex I, according to the Instructions in S.25.01 of Annex II.</p>	<p>E. Capital Management</p> <p>E.2 Solvency Capital Requirement and Minimum Capital Requirement</p> <p>E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement</p> <p>E.6 Any other information</p>

<p>Article 4 paragraph 1 (l) - information on the minimum capital requirement for insurance and reinsurance undertakings that pursue only life or non-life activity and calculate their solvency capital requirement using the standard formula, as specified in template S.28.01.01 of Annex I, according to the Instructions in S.28.01 of Annex II;</p> <p>Article 4 paragraph 1 (m) - information on the minimum capital requirement for insurance and reinsurance undertakings that pursue both life and non-life insurance activity and calculate their solvency capital requirement using the standard formula, as specified in template S.28.02.01 of Annex I, according to the Instructions in S.28.02 of Annex II.</p>	<p>E. Capital Management</p> <p>E.2 Solvency Capital Requirement and Minimum Capital Requirement</p> <p>E.6 Any other information</p>
--	--

Appendix 3: Proposed elements of the SFCR to be included in scope at group level

<p>The quantitative reporting templates (QRTs) in scope as set out in the SFCR – COMMISSION IMPLEMENTING REGULATION (EU) 2015/2452 of 2 December 2015</p>	<p>Auditors may also wish to consider relevant qualitative information as set out in the following sections of the SFCR per Annex XX of the Delegated Regulation (EU) 2015/35</p>
<p>Article 5(f) - information on own funds as specified in template S.23.01.22 of Annex I, according to the Instructions in S.23.01 of Annex II including basic own funds and ancillary own funds;</p>	<p>E. Capital Management E.1 Own funds</p>
<p>Article 5(g) - information on solvency capital requirement calculated using the standard formula, as specified in template S.25.01.22 of Annex I, according to the Instructions in S.25.01 of Annex II;</p>	<p>E. Capital Management E.2 Solvency Capital Requirement E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement E.6 Any other information</p>

www.centralbank.ie CP104@centralbank.ie



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem