Nokatus Insurance Company DAC

Solvency and Financial Condition Report

Reporting period ended 31 December 2018

Contents

SUMMARY 3

A. BUSINESS & PERFORMANCE 4

A.1 Business 4

A.2 Underwriting Performance 5

A.3 Investment Performance 6

A.4 Performance of other activities 6

A.5 Any other information 6

B. SYSTEM OF GOVERNANCE 7

B.1 General information on the system of governance 7

B.2 Fit and proper requirement 9

B.3 Risk Management System including the own risk and solvency assessment 9

B.4 Internal Control System 11

B.5 Internal Audit Function 12

B.6 Actuarial Function 13

B.7 Outsourcing 13

B.8 Any other information 14

C. RISK PROFILE 16

C.1 Underwriting risk 16

C.2 Market risk 17

C.3 Credit risk 18

C.4 Liquidity risk 18

C.5 Operational risk 19

C.6 Other material Risks 19

C.7 Any other information 20

D. VALUATION FOR SOLVENCY PURPOSES 21

D.1 Assets 21

D.2 Technical Provisions 21

D.3 Other liabilities 24

D.4 Alternative methods for valuation 25

D.5 Any other information 25

E. CAPITAL MANAGEMENT 26

E.2 Solvency capital requirement and minimum capital requirement 28

E.3 Use of duration-based equity risk sub module in calculation of the solvency capital requirement 29

E.4 Differences between the standard formula and any internal model used 29

E.5 Non-Compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement 29

E.6 Any other information 29

ANNEX I – QUANTITATIVE REPORTING TEMPLATES 30

SUMMARY

This Report refers to the business of Nokatus Insurance Company DAC ('Nokatus', 'the Company'), a captive insurer, authorised and supervised by the Central Bank of Ireland. It provides the reader with information on the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management for the reporting period ended 31 December 2018.

Nokatus has prepared this report in accordance with the relevant articles of the Commission Delegated Regulation (EU) 2015/35, together with the Guidelines on reporting and public disclosure issued by EIOPA.

The Company's business strategy is to provide coverage for certain risks of the Nokia Group, which is one of world's largest telecommunications and networking equipment providers, serving millions of business and home customers. Investment of Company funds is in line with the documented investment strategy, reflecting a 'prudent person' approach to the management of counterparty, concentration, interest rate and currency risk.

The Board has identified the key risks to which Nokatus is exposed and established appropriate corporate governance, risk management and reporting mechanisms to ensure that the identified risks remain relevant, and that they are managed and reported on with appropriate levels of detail and frequency. The Company has established a comprehensive suite of risk policies and implemented a series of internal controls to ensure that Nokatus can be managed in accordance with its governance and risk management systems. Documented escalation mechanisms are in place to ensure that any breaches in risk limits and tolerances, internal controls and governance requirements can be reported promptly to the appropriate individuals.

Risks to which the Company is exposed are well understood and are used to determine the level of solvency and capital required over a forward looking three-year business planning period. The results of this exercise are used to better inform decision making within the Company.

In December 2017, the Company accepted an inwards novation of reserves totalling €25,026,703 from Electro Assurances and Electro Re, two Group companies. The run-off of this Novated Portfolio has performed profitably during 2018. There were no material changes to the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

As at 31 December 2018, the Company had eligible own funds of EUR116.6M (2017: EUR107.5M) available to meet its Solvency Capital Requirement (SCR) of EUR87.3M (2017: EUR77.4M); resulting is a Solvency Ratio of 134% (2017: 139%) which is in line with the Company's risk appetite. The Board of Directors is satisfied that the Company has adequate and appropriate capital to support its business plans. The Minimum Capital Requirement (MCR) was also satisfactorily met at the period-end. There were no instances of non-compliance with the capital requirements during the period.

A. BUSINESS & PERFORMANCE

A.1 Business

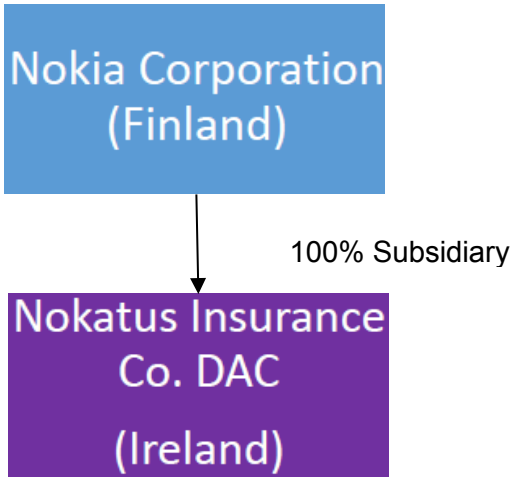
Nokatus was incorporated in Ireland in 2004 and in line with the requirements of the Companies Act 2014 converted to a designated activity company (DAC), limited by shares, effective 23 December 2015. The principal activity of the Company is the provision of insurance, for General Liability and Crime (Miscellaneous Financial Loss), to certain companies within the Nokia Group. Nokatus is a captive insurance undertaking, underwriting only the risks of its parent group.

The Company's business address and registered office is 3rd Floor, The Metropolitan Building, James Joyce Street, Dublin 1, Ireland.

Nokatus is authorised by the Central Bank of Ireland ('CBI'), under the European Union (Insurance and Reinsurance) Regulations 2015 (SI 485), to carry out the business of non-life insurance. Authorisation is in respect of Class 1. Accident, Class 2. Sickness, Class 7. Goods in Transit, Class 8. Fire and Natural Forces, Class 9. Other Damage to Property, Class 10. Motor Vehicle Liability, Class 13. General Liability, Class 14. Credit, Class 16. Miscellaneous Financial Loss, Class 17. Legal Expenses and Class 18. Assistance risks. The insurance supervision division at the CBI may be contacted at their offices in New Wapping Street, North Wall Quay, Dublin 1, Ireland.

The Company's external auditor is BDO, which is located at Beaux Lane House, Mercer Street Lower, Dublin 2.

The Company is a wholly owned subsidiary of its parent company Nokia Corporation headquartered in Finland, ("the Group"), as set out below.



The business written by the captive in the last few years relates to insurance of Nokia's worldwide operations. The current business is written through a fronting insurer with 100% of the risk being ceded to Nokatus for the layer reinsured. As a result, the principle of economic substance over legal form has been applied and these risks have been considered as direct insurance for the purposes of Solvency II.

The Company's insurance exposure is mitigated by setting limits of liability within its insurance programme.

The operation of the Company is subject to the local regulatory requirements in Ireland. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive

provisions, for example capital adequacy to minimise the risk of default and insolvency on the part of the Company to meet unforeseen liabilities as they arise.

Nokatus conducts all of its significant business activities from its office in Ireland, including:

- underwriting;
- premium invoicing and collection;
- claims reserving and payments; and
- investing.

There have been no significant events during the reporting period which have had a material impact on the Company.

A.2 Underwriting Performance

The Company's business is the provision of insurance in a manner which enhances the risk management, economic and administrative efficiency of the Nokia group. Insurance is provided under two regulatory lines of business, General Liability and Miscellaneous Financial Loss, for combined public and product liability and crime risks and are summarised in the table below:

Line of business	2018 (€k)	2017 (€k)
Miscellaneous Financial Loss	326,070	153,854
General Liability	238,308	180,000
Grand Total	**564,378**	**333,854**

The Company's underwriting performance for all the lines of business for the reporting period ended 31 December 2018 and the comparative period is set out below. Amounts are presented in Euro (EUR), which is the Company's functional currency:

	2018 EUR	2017 EUR
Gross premiums earned	684,055	400,951
Outward reinsurance premiums earned	-	-
Earned premiums, net of reinsurance	684,055	400,951
Gross claims incurred	5,283,650	639,738
Claims incurred – recoverable from reinsurers	(446,922)	(101,183)
Claims incurred, net of reinsurance	4,836,728	538,555
Expenses incurred	(739,617)	(797,917)
Underwriting profit	**4,781,166**	**141,589**

Premium pricing is re-assessed annually with the assistance of independent actuarial advice. This takes account of the underlying risks to be insured, historical claims performance, the pricing of reinsurance in the market and the relevant costs associated with the administration of the programme. The increase in premium earned on the prior year is reflective of an additional amount of premium earned on the Novated business.

Provision is made for all notified losses on all underwriting years, including the business novated from other two Nokia captives at the end of 2017, and calculated gross of any reinsurance recoveries with a separate estimate being made of amounts recoverable from reinsurers. There have been significant movements in claims incurred compared to the previous years, due to claims activities on the novated

portfolio, which mainly relates to release of both outstanding loss reserves and Incurred But Not Reported claim projections.

A.3 Investment Performance

In line with the Company's documented investment policy, investments during the period included cash and deposits, and an Intercompany loan. Income arising from investment activities for the reporting period was (EUR 69,571) (2017: (EUR 5,059)), the reduction reflecting negative interest rates during the period on increased investment level of funds held throughout 2018 compared with the prior year.

The Company has no investments in securitised asset classes and all investment income is recognised in the Company's income statement.

A.4 Performance of other activities

Nokatus does not engage in any activities other than those associated with captive insurance and has not entered into any leasing agreements.

A.5 Any other information

The Company recorded a foreign exchange loss of EUR 19,099 during the reporting period (2017: loss of EUR 233,713) due to unrealised losses on non-Euro cash and investments. This is considered within appetite and not material to the overall financial performance of Company.

B. SYSTEM OF GOVERNANCE

B.1 General information on the system of governance

In order to meet the requirements for sound corporate governance, ensure efficient conduct of business and to protect the interests of the Company's stakeholders, the Company has a comprehensive Governance and Risk Management system in place.

The Board of the Company acknowledges its responsibility to ensure that risks are fully understood and appropriately managed and has taken appropriate steps to ensure that risk management, reporting and control processes have been put in place in a manner which reflects the nature and scale of the captive's activities.

The Governance and Risk Management System of the Company may be described as relying on four cornerstones:

1) Governance Framework, aligned with the Company's strategic objectives, providing top level oversight by the Board, clear ownership and accountability for risks, as well as clear escalation and reporting channels.

2) Risk Management Framework which details the Company's strategic objectives in documented Risk Policies. For each risk, limits and operational checkpoints as well as functional identification, mitigation and monitoring processes are documented.

3) A series of Internal Controls, defining the architecture of processes required to manage the Company in accordance with its governance and risk management framework.

4) A Risk Register combining operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's global strategy objectives.

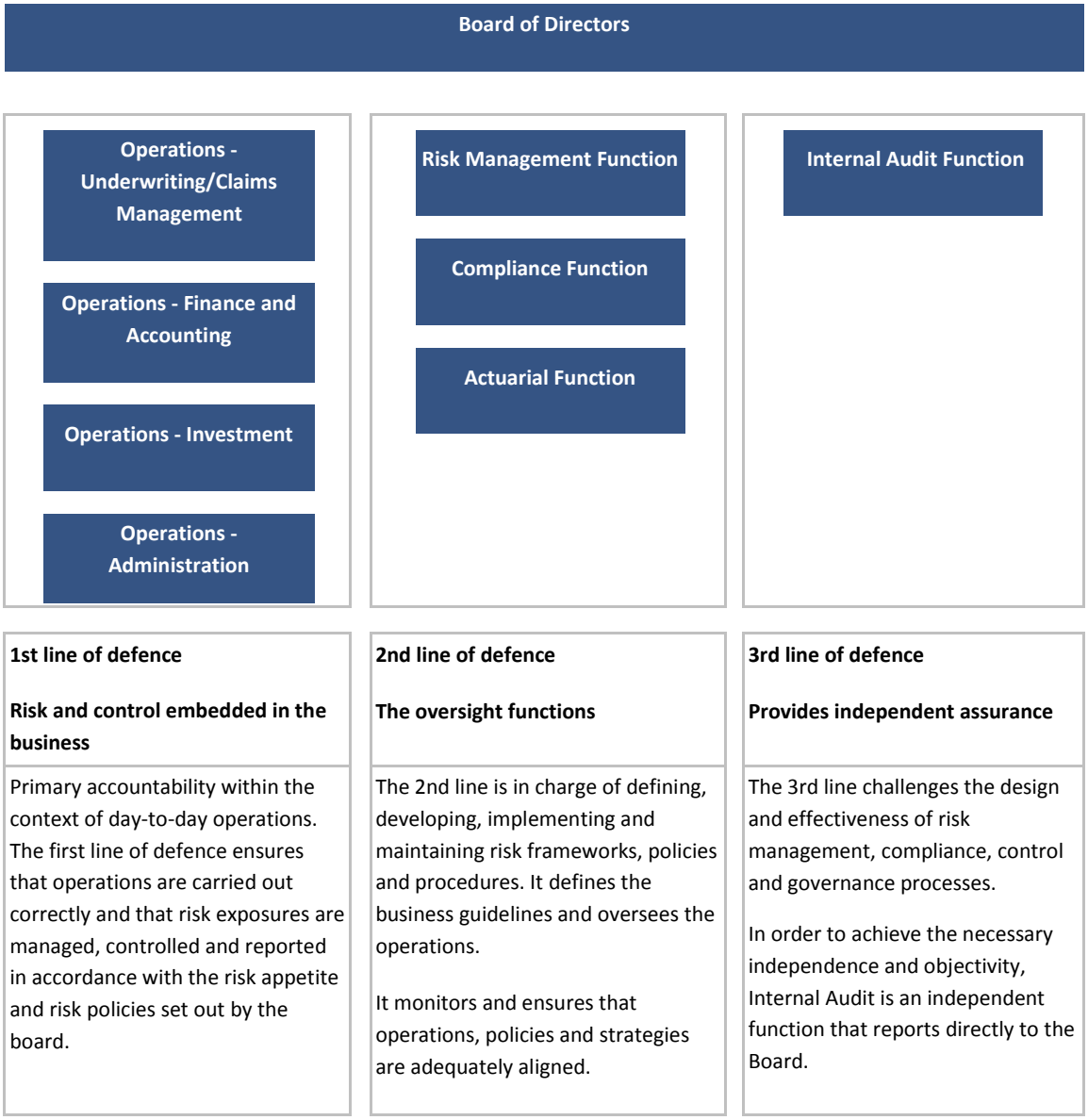
There have been no material changes to this structure in the period. Nokatus implemented the above system in advance of the inception of Solvency II.

In order to achieve the Company's objectives, the Board has established a system of governance with the following core components:

- the Board of Directors is the focal point of the governance system and is ultimately accountable and responsible for the performance and conduct of the Company and, as such, must have at its disposal all required capabilities to achieve its duties;
- all authority emanates from the Board of Directors and responsibilities are delegated in such a manner so as to ensure that no one individual has unfettered powers of decision;
- an embedded Compliance Function aiming to ensure the continuous compliance of the Company with all applicable legal, regulatory and administrative requirements;
- an appropriate segregation of duties in order to enable the Risk Management, Internal Audit, Actuarial and Compliance Function to perform independent risk and business control mitigation, monitoring and reporting tasks;
- a meaningful and practical approach in documenting policies and strategies to formalise all processes in an efficient and fit-for-purpose manner; and
- structured reporting processes to enable an appropriate escalation of risks and issues to the Board of Directors in order to ensure a clear and comprehensive information process allowing

the Board to conduct business in an efficient and prudent manner in line with the strategic objectives.

According to these principles, the chosen governance model is one of "three lines of defence" which is illustrated as follows:



Key Functions

The key functions of Risk Management, Internal Audit, Actuarial, Compliance and Operations have clear and defined lines of reporting directly to the Board. This is facilitated by the straightforward nature of the Company's structure and fit-for-purpose documented policies and procedures which are clearly communicated and well understood by all relevant parties. The Board has ensured that the key functions are appropriately resourced and have the necessary authority and operational independence to perform their roles. The Company has engaged Aon Insurance Managers (Dublin) Limited ('AIMD') for the provision of management services, under the terms of an outsourced service and management agreement which is overseen by the Board of Directors. The Board undertake responsibility for performing the equivalent function of an Audit Committee in relation to the reporting period 31st December 2018.

Remuneration and material transactions

The members of the Board of Directors receive no remuneration for their services as directors to the Company. There are no employees and consequently no remuneration is paid.
As a captive insurer, all of the Company's inward premium flows and claims payments relate to insured risks of the shareholder group. Aon Insurance Managers (Dublin) Limited (Aon), of which Rory Moloney is a director and Aidan Pyke is an associate director (both board members of Nokatus), acted as manager to the Company during the year. A management fee is paid by Nokatus to Aon for services provided. Nokatus holds an intercompany loan with its parent company, Nokia. Other than these transactions which arise in the normal course of business, the Company had no material transactions during the reporting period with members of the shareholder group and none with members of the Board of Directors.

B.2 Fit and proper requirements

Nokatus has documented its Fitness & Probity policy setting out the Company's approach to the selection and assessment of the persons who effectively run the Company or are responsible for other key functions.

In selecting individuals as directors or function holders, the Company takes account of the following factors:

- specific requirements of the role
- the skills, experience and relevant qualifications of the proposed individual
- results of due diligence enquiries
- conflicts of interest
- time requirements and other commitments
- competence and integrity
- financial soundness

Consideration is given to ensuring an appropriate mix of knowledge, skills and experience across the Board of Directors and for those roles where specialist skills are required e.g. Head of Actuarial Function, only those individuals possessing the pertinent qualifications and expertise will be considered.

For those roles which are prescribed by the CBI as Controlled Functions (CFs) and Pre-approval Controlled Functions (PCFs), the Compliance function adopts appropriate control and due diligence processes in the selection and vetting of such individuals to ensure that they meet the regulator's fit and proper criteria. Written approval from the CBI is obtained prior to the appointment of PCFs. Appointed individuals are required to maintain on-going compliance with the Standards of Fitness & Probity and the guidance issued by the CBI. This is assessed by the Company on an annual basis.

B.3 Risk Management System including the own risk and solvency assessment

The Company's Risk Management System:

- sets out the level of risk acceptable by the Company (Risk Appetite and risk tolerance);
- identifies the risks which represent a threat to the achievement of its strategic objectives;
- identifies, defines and regularly measures key risk indicators enabling an efficient monitoring of risks;
- defines the appropriate actions to reduce the Company's risk exposure;

- ensures the risk management framework is implemented in day-to-day business processes; and
- regularly reviews controls and mitigation actions to ensure that they remain relevant and effective.

In order to achieve these objectives, the Risk Management System of the Company has been clearly documented and specified through specific risk management policies for each key risk category. The key risk categories for which the Company has set up specific control and monitoring mechanisms are:

- Underwriting/Reserving
- Asset Liability Management ("ALM")
- Investment
- Liquidity and concentration
- Operational
- Reinsurance and other risk mitigation techniques
- Strategic

In addition to these, an outsourcing policy defining the key rules and criteria to be followed by each service provider has been determined.

Own Risk and Solvency Assessment

The Company performs an Own Risk and Solvency Assessment ('ORSA') process annually in order to provide its Board of Directors with a forward looking risk and capital assessment. The adequacy of the available capital, the Risk Appetite Framework and the appropriateness of the risk limits is assessed for the business planning period, considering the evolving risk profile. To this end, risks and scenarios to which the Company is exposed during the business planning period and which may affect the capacity to meet its insurance obligations or pose a threat to the achievement of its business objectives are taken into account.

Stress testing and scenario analysis are used to assess whether the available and future capital are sufficient in both expected and stressed situations. 3 year business projections, stresses and scenarios are compiled by the Operations Functions with input and agreement from the Board of Directors to ensure that these are appropriate for the Company.

Capital and solvency projections are conducted by the Actuarial Function and validated by the Risk Management Function. Where applicable, any future additional capital needs will be identified and aligned to the Company's capital management plan i.e. defining the measures to restore the Company's solvency margin should the assumed scenarios occur.

In line with CBI requirements, the Head of Actuarial Function provides an actuarial opinion to the Board of Directors in respect of the ORSA at the same time that the results of the ORSA process are presented to the Board for review and challenge. Following feedback and approval from the Board, the Company's ORSA report is finalised and results submitted to the CBI within 2 weeks.

The ORSA report provides clarity over projected risk assessments and solvency needs to three different stakeholders:

Stakeholder	Expectation	ORSA Report
Board of Directors	Matching projected risks vs the Risk Appetite framework.	Provides a clear and prospective understanding of critical risk exposures and their relationship with Risk Appetite boundaries.
Shareholders	Detailed and prospective understanding about the risk of bankruptcy and potential need for future additional capital.	Provides a plan for capital needs on the time horizon of the financial planning.
Supervisory Authority	Detailed and prospective understanding of potential ORSA deviations compared to solvency capital requirements	Gathers information about: projected Solvency ratios; - explanations about deviations due to specific critical risks exposures.

The ORSA process described above ensures that the ORSA is integrated in the Company's decision-making and business planning process. Furthermore, monitoring procedures as set out in the risk management policies ensure that risk exposures are measured on a regular basis triggering exception reports to the Board.

The capital risk appetite for Nokatus is to sustain its capital at a level sufficient to meet the Regulatory Solvency Capital Requirement at all times. The Board of Directors maintains a prudent approach to capital to ensure that Nokatus is in a comfortable position to meet this obligation.

B.4 Internal Control System

The Internal Control System embedded in the Company's operations is a mix of processes undertaken by all stakeholders within the Company to provide reasonable assurance that the strategic objectives will be achieved.

In order to achieve the aforementioned objectives, the Internal Control framework of the Company is structured around five complementary components.

Component	Contents
1) Control environment	A strong "risk and control" culture is embedded within the Company's operations through the continuous oversight of the Board of Directors and the communication to all internal stakeholders of all governance and risk principles through the Company's governance manual.
2) Risk assessment	Procedures and policies are detailed and formalised in order to disclose the way of identifying, managing, controlling, mitigating and reporting issues relating to each risk category.
3) Reporting channels	Clear and structured reporting processes are in place enabling the Board of Directors to have access to relevant, complete, reliable, correct and timely communication related to internal as well as external events.
4) Monitoring process	The appropriate escalation of significant issues to the Board of Directors, the ongoing involvement of all internal stakeholders as well as the Internal Audit process enables the Company to continuously monitor and adapt when necessary its Internal Control System.
5) Control activities	The Company has developed a comprehensive set of preventive, detective or corrective control actions embedded in its daily operations.

In order to set out how the Internal Control System is implemented, the Company's processes and related control activities are documented, monitored and reviewed on a regular basis.

These items are designed by the Risk Management Function, approved by the Board of Directors and evaluated by the Internal Audit Function. They are reviewed as often as necessary but at least annually.

Compliance Function

The Compliance Function is an integral component of the Company's governance system. The Company has a dedicated Head of Compliance reporting to the Board of Directors, who coordinates the activities of the Compliance Function.

The responsibilities of the Compliance Function include:

- utilisation of compliance management practices that contribute to the use of sound, responsible and sustainable business practices by the Company;
- presentation of an annual compliance plan to the Board of Directors, outlining specific areas which it will focus on during a particular year;
- promotion of a culture of compliance within the organisation;
- maintenance of a comprehensive compliance risk management control and reporting system in conjunction with the Risk Management Function to assist in managing the compliance risk faced by the Company;
- consideration of possible future changes in the legal environment and their potential effect on the Company as well as providing regular compliance and regulatory updates to the Board of Directors;
- identification and communication throughout the Company the laws, regulations and codes of conduct to which the Company is subject and assisting to embed compliance with these in the way the Company does business; and
- investigation and follow up of compliance breaches, ensuring timely reporting to the Board and in certain circumstances to outside bodies such as the CBI.

B.5 Internal Audit Function

Purpose and Objectives

The purpose of the Internal Audit Function is to serve as an independent function that objectively evaluates and recommends improvements with respect to the Company's Internal Control System by facilitating an objective and independent assessment of the processes and controls in place.

It assists the Company in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes employed by the Company. The audit approach is risk based and in line with an annual audit plan which is provided by the Head of Internal Audit to the Board of Directors.

The Internal Audit Function and the appointed Head of Internal Audit report directly to the Board of Directors.

Independence and Impartiality

The Company's Internal Audit Function has been established to be independent of the activities audited, the operational functions and the Board of Directors.

The Internal Audit Function is free to report its findings and appraisals and to disclose them to the Board as required. This principle of independence ensures that the Internal Audit Function reports directly to the Board of the Company.

B.6 Actuarial Function

The Company has established an effective Actuarial Function, including a nominated Head of Actuarial Function ('HoAF') approved by the CBI, which carries out the following key tasks:

- coordination of the calculation of technical provisions in conjunction with other outsourced actuarial resources;
- ensuring the appropriateness of the methodologies, underlying models and assumptions made in the calculation of technical provisions;
- assessment of the sufficiency and quality of the data used in the calculation of technical provisions. Where relevant, the Actuarial Function will provide recommendations on internal procedures to improve data quality;
- estimation of Solvency II technical provisions (both claims and premium provisions)
- comparison of best estimates against experience;
- reporting to the Board of Directors on the calculation, reliability and adequacy of technical provisions;
- calculation of the Solvency and Minimum Capital Requirements at the balance sheet date;
- ensuring results of technical provisions can efficiently feed into solvency capital calculations and Quantitative Reporting Templates (QRTs) on both a quarterly and annual basis;
- contributing to the effective implementation of the Risk Management System, in particular:
    i. with regard to risk modelling underlying the calculation of the Solvency and Minimum Capital Requirements; and
    ii. the application of stress scenarios to the solvency calculations as part of the Company's ORSA process.
- provision of opinions on:
    - Technical provisions
    - Solvency position
    - Underwriting Policy
    - Reinsurance arrangements
    - ORSA

The HoAF reports to the Board of Directors and issues a report in writing at least annually documenting all of the material tasks that have been undertaken by the Actuarial Function during the reporting period.

In establishing the Company's Actuarial Function, the Board of Directors has ensured that the persons involved have the requisite qualifications and demonstrable experience in the area of non-life reserving and are fully conversant with the Solvency II requirements for the calculation of Technical Provisions.

B.7 Outsourcing

All functions and activities of the Company are eligible to be outsourced provided that specific criteria are satisfied in each instance.

The Board is responsible for the approval and termination of all outsourcing arrangements of critical or important functions or activities. Critical or important functions or activities include key functions relating to the Company's System of Governance and all functions within the Company that are fundamental to carry out its core business. The Board is responsible for ensuring notification to the CBI is made in a timely manner prior to the outsourcing of critical or important functions or activities, and thereafter where there have been material developments in relation to the service provider.

The objectives of The Company's Outsourcing Policy are to ensure that the outsourcing of critical or important operational functions or activities does not lead to:

- Reduction in the Board's responsibility for, or influence over, key functions of the Company;
- Material impairment of the quality of the Company's System of Governance;
- Any impairment of the Company's ability to meet its regulatory requirements;
- Non adherence to the Company's approved policies and procedures;
- Undue increases in operational risk or cost;
- Material impairment of the Company's ability to fulfil its obligations to stakeholders;
- Conflicts of Interest;
- Breach of the Company's data protection obligations.

The Board is responsible for assessing the risks associated with the outsourcing of critical or important functions or activities, carrying out the appropriate due diligence on the outsourced service provider and for reviewing the performance of outsourced service providers against their agreed and documented Service Level Agreements ('SLA').

The management of the Company is coordinated and carried out at its place of business in Ireland. Nokatus engages outsourced service providers in order to access the expertise and strength and depth of resources necessary to manage the specific requirements of a regulated captive insurance company operating on a global basis.

The following critical or important functions / activities are outsourced:

Critical or important function	Outsourced Service Provider	Jurisdiction
Underwriting administration	Aon Insurance Managers (Dublin) Limited (AIMD)	Ireland
Claims administration	AIMD	Ireland
Finance and accounting	AIMD	Ireland
Compliance Function	AIMD	Ireland
Risk Management Function	Chief Risk Officer, and Board of Directors	Ireland
Actuarial Function	Aon Global Risk Consulting	United Kingdom
Internal Audit Function	Aon Commercial Services Ireland Limited	Ireland
Claims handling	Chubb (fronted policies) XL (fronted policies) AIG (fronted policies prior to 2014)	United Kingdom and global based on location of claims

B.8 Any other information

The Board is satisfied, based on its assessment of the frameworks which have been established and are in use, that the Company's system of governance is appropriate and adequate for the nature, scale and complexity of the risks inherent in its business operations.

There are no other material items to report in this section.

C. RISK PROFILE

The Risk Appetite Framework adopted by the Board sets out the level of risk that the Company is prepared to accept in the pursuit of its strategic objectives. It sets out:

- the Company's overall philosophy to risk taking and the expectations of shareholders;
- the Company's tolerance to loss of capital, profit volatility and other specified measures; and
- the risk limits that are acceptable in terms of exposures to different types of risk.

The Company's Risk Register combines operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's strategic objectives.

The Board's annual ORSA process is based on the company's current and expected risk profile over the business planning period and supports the Board in achieving its strategic objectives by taking a structured and combined approach of strategy, risk management and capital management.

C.1 Underwriting risk

The Company underwrites contracts that transfer insurance risk. The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty that the Company will have sufficient assets to satisfy the amounts payable under the contract. The Company seeks to ensure that it collects sufficient premium income to meet the cost of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to variation in the Company's performance over the short term. Whilst considerable judgment is involved, the Directors ensure that suitable processes are in place to ensure the reliability, sufficiency and adequacy of the statistical and accounting data to be considered in both premium pricing and loss reserving exercises.

As the Company is a captive insurer, it is effectively insuring the risks of one customer, its parent group, and thus is exposed to risk concentration. However, diversification is achieved through the varying geographical locations of the underlying risks.

The principal assumptions underlying the Company's estimation of liabilities is that the Company's future claims development will follow a similar pattern to past claims development experience. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example, isolated large claim occurrences, economic conditions, internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors, such as judicial decisions and government legislation affect the estimates, especially taking account of the longer term nature of the risks which the Company underwrites.

The Company manages these risks through its underwriting strategy of arranging for an external qualified actuary to review pricing and reserve adequacy of the Company on an annual basis, the settling of appropriate policy limits and having adequate reinsurance arrangements in place. The Company also monitors emerging issues and factors in their potential impact on the Company's pricing and claims reserving.

Given the Company is providing insurance for liability losses directly above local deductibles, the primary risk mitigation technique utilised limiting company's exposure provides balance sheet protection, from both claims severity and frequency, in an economically and administratively efficient manner.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its underwriting exposures.

Annual support and certification is provided by the Company's Actuarial Function.

As part of the Company's ORSA process, stress and scenario tests incorporating differing claims experience are considered. The impact of the Company experiencing multiple large losses and adverse development of loss history resulting in a batch of claims being advised were considered as part of the ORSA carried out in the reporting period. While these scenarios resulted in a reduction in the Company's available capital below solvency requirements, the Company has adequate capital planning procedures in place to deal with such scenarios should they occur.

Sensitivity analysis is also performed for underwriting risks by selecting conservative movements in the ultimate loss ratios ('ULRs') used in the estimation of claims reserves for financial statements purposes and holding all other assumptions constant. The resultant impact on Gross and Net claims reserves and Profit before Tax (PBT) for the financial period is shown below:

	Adjusted gross claims reserve €	Adjusted net claims reserve €	Net impact on PBT for the year €
2018			
Increase in ULRs by 10%	20,424,602	20,141,003	(1,831,000)
Decrease in ULRs by 10%	16,711,038	16,479,003	1,831,000
2017			
Increase in ULRs by 10%	29,392,616	28,617,403	(2,601,582)
Decrease in ULRs by 10%	24,048,504	23,414,239	2,601,582

C.2 Market risk

The risk of future changes in market prices, which would result in devaluation of investable assets, may result from several factors, including, but not limited to, value, liquidity, duration, composition, interest rates, foreign exchange rates and market fluctuations. The Company diversifies its portfolio to reduce the exposure to market fluctuations and market risk concentrations.

Nokatus has an investment strategy in place in line with its Risk Appetite Framework and the related 'Prudent Person' regulatory requirements. The Company endeavours to:

- prudently invest with consideration of the prevailing financial market environment;
- ensure the Company invests appropriately so as not to result in the Company failing to meet its Solvency Capital Requirements;
- ensure that the Company holds assets of sufficient value and liquidity to meet all liabilities as they become due;
- maximise investment return within the levels of risk as defined by the Company's Risk Appetite;
- ensure compliance with the Liquidity Strategy and Policy;
- ensure compliance with the Asset-Liability Management Strategy and Policy; and
- ensure effective risk management of investments at all times, with due consideration of the risks associated with investments and procedures to monitor, manage and report these risks in a timely manner as part of the Company's overall Risk Management System.

Interest rate risk arises on the return on the Company's investments including cash and deposits with credit institutions and the Intercompany loan. The Company is also exposed to concentration risk on the Intercompany loan and assesses the impact on solvency prior to making any increases to the loan. The Company is exposed to currency risk to the extent its assets and liabilities are denominated in a currency different from its functional currency. The Company seeks to mitigate currency risk by matching the assets and liabilities which arise in different currencies. The ultimate settlement of loss reserves may be in currencies other than the EUR. The Company's exposure to foreign exchange risk arises with respect to USD and the Company accordingly holds assets in this currency to seek to hedge against potential currency risks arising from loss reserves on a net of reinsurance basis.

C.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The assets that are exposed to credit risk are:

- Cash and cash equivalents
- Investments, deposits with credit institutions, and Intercompany Deposits
- Reinsurers' share of insurance liabilities (outstanding and settled)

The Company utilises custodians deemed to be of high credit quality to hold its cash and cash equivalents and deposits with credit institutions, and additionally has limits in place in relation to the amount of cash which can be held by any one financial institution.

The Company holds an intercompany loan with the parent company, Nokia Corporation. The value of this loan at 31 December 2018 was EUR 118,263,948. Nokia Corporation's credit rating with S&P at the end of the period was BB+.

Investments and deposits are managed under the Investment strategy (market risk). The Company recognises the credit risks associated with its reinsurance arrangements. The Company manages its reinsurance risks by establishing a reinsurance strategy and this strategy sets out the minimum requirements for any reinsurance counterparty.

The purchase of reinsurance does not relieve the Company of its obligation to its policyholders and accordingly a credit risk exists to the extent that any reinsurer is unable to meet the obligations assumed under such reinsurance agreements.

The Company mitigates this credit risk by reinsuring with counterparties who are considered appropriately credit worthy. Reinsurers that are not rated or do not fall within the pre-defined rating categories are approved on a case by case basis. The credit-worthiness of reinsurers is monitored on a regular basis.

The Company did not purchase any reinsurance during the period.

C.4 Liquidity risk

The Company is exposed if proceeds from financial assets are not sufficient to fund obligations arising from its insurance contracts. The Company can be exposed to daily calls on its available investment assets, principally from insurance claims. Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial obligations.

The Company has determined that liquidity risk does not represent a significant exposure to its business. This assessment is based on the fact that the Company has its investments held in highly

liquid assets which it can access immediately or within a very short time frame without incurring material costs or penalties. Investments are in compliance with the Company's investment guidelines.

The total amount of expected profits in future premiums at the end of the reporting period was nil.

C.5 Operational risk

Operational risk is the risk of loss arising from system failure, human error, fraud, or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications, or can lead to financial loss. The Company have a rigorous control framework and monitoring process in place to manage operational risk. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education, and assessment processes. Outsourced activities are monitored and managed in the same manner in line with the Outsourcing policy.

The Company cannot expect to eliminate all operational risk, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risk.

In addition, Nokatus is subject to Internal and External Audit review.

Nokatus maintains a regulatory dialogue with the CBI to mitigate the risk of any potential sanction or compliance breach as well as using expert, industry leading, service providers to provide its outsourced functions which helps avoid any material error or delay. In order to ensure the quality of the outsourced functions is as high as possible, Nokatus puts in place service level agreements outlining key performance indicators against which its outsourced service providers can be monitored and assessed.

C.6 Other material Risks

Strategic Risk

Strategic risk is the risk of loss arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes i.e. the risk associated with implementing the wrong strategy or failing to correctly implement the chosen strategy.

The control and monitoring actions/principles underlying the strategic risk management of the Company are:

- Review at least annually of the appropriateness of the high level overall objectives for the Company; the major risks facing the Company; the Risk Appetite for each of these major risks identified. The Board of Directors will ensure continuing appropriateness, at least annually and revisions shall be affected where necessary.
- Ensure the Company strategy is implemented correctly including approval, review and, monitoring of agreed Key Performance Indicators for the Company.
- Ensure all plans are regularly reviewed to ensure that Risk Tolerances are not exceeded individually or in total.

Sensitivity Risk

The Actuarial Function assesses annually the sensitivity of its estimate of the Company's unpaid claim liabilities of varying the key assumptions underlying its analysis. Given the nature of the Company's exposures, the key assumptions underlying the actuarial analysis are subject to a range of reasonable interpretations.

No other material risks have been identified.

C.7 Any other information

There are no other material items to report in this section.

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

Nokatus prepares its financial statements on a going concern basis in accordance with Financial Reporting Standard 102 and 103, applicable accounting standards, the provisions of the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. There are a number of differences between the financial statement basis and the Solvency II valuation rules. Most of these differences are driven by the requirement for all assets and liabilities to be valued on a market consistent fair value basis under Solvency II.

At the end of the current reporting period Nokatus has total assets valued at EUR 136,708,374 for solvency purposes. This total comprises the following categories of assets:

- Deposits other than cash equivalents EUR 989,557

  This amount represents short term deposits with an original maturity of three months or less and is stated at market value for both solvency and financial statement purposes, the only difference being the inclusion of accrued interest in the above balance. Accrued interest is disclosed as a separate line item in the financial statements.

- Non-life reinsurance recoverables EUR 1,039

  These amounts are dealt with in Section D2 below as part of the explanation on the valuation of technical provisions.

- Cash and cash equivalents EUR 17,213,830

  Cash and cash equivalents comprise cash at banks. Carrying amounts approximate fair value due to the liquid nature of the assets. There are no valuation adjustments for solvency purposes.

- Other loans and mortgages EUR 118,263,948

  Other loans and mortgages comprise the Intercompany deposit held with Nokia and is stated at market value for both solvency and financial statement purposes, the only difference being the inclusion of accrued interest in the above balance. Accrued interest is disclosed as a separate line item in the financial statements.

- Insurance and intermediaries receivables EUR 240,000

  This amount represents amounts premium receivables outside credit terms; amounts within credit terms are included within technical provisions for solvency purposes.

Information on how the Company invests its assets and manages risk in this area, including how it achieves compliance with the 'prudent person principle', is set out in Sections C2 – C4 above. Operational risks relating to the Company's assets are managed according to the control framework described in Section B4 above.

D.2 Technical Provisions

The technical provisions of Nokatus at 31 December 2018, relating to various lines of business, gross and net of reinsurance, are set out below in EUR:

31 December 2018:

	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
Gross	18,612,521	100,401	18,712,923	490,751	19,203,674
Net	18,611,483	100,401	18,711,834	490,751	19,202,635

31 December 2017:

	Claims Provision	Premium Provision	Best Estimate	Risk Margin	Technical Provisions
Gross	27,683,161	132,861	27,816,023	781,137	28,597,160
Net	27,379,856	132,861	27,512,717	781,137	28,293,854

These amounts comply in all material respects with the relevant Solvency II requirements.

The starting point for the calculation of the Solvency II technical provisions is the amounts which have been calculated for the financial statements reserving basis. Within the financial statements, full provision is made for the estimated cost of all claims notified but not settled at the period-end using the best information available at that time. Provision is made for the cost of claims incurred but not reported and at the period-end, and potential development on outstanding claims estimates (together regarded as IBNR reserves). In addition, an estimate is made for future claims handling expenses relating to claims outstanding at the period-end.

Provisions are calculated gross of any reinsurance recoveries with a separate estimate being made of amounts recoverable from reinsurers. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. In estimating the cost of claims notified but not paid, the Company has regard to claims circumstances as reported, any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. IBNR provisions are established having regard for the results of a valuation on a best-estimate basis by an independent actuary together with a margin for uncertainty which has been determined by management.

Claims projections have been carried out using a range of standard actuarial methods, including the Development Factor Method (DFM), the Bornhuetter-Ferguson method (BF) and the frequency/severity method. DFM involves the calculation of loss development factors from historical data, these factors are then used to estimate the ultimate cost for years in which claims are still open. DFM assumes that past development patterns will continue to be appropriate for the future. BF involves a blend of DFM and an expected loss ratio method and is used for long-tail lines of business where data may be insufficient or immature. The frequency/severity method calculates ultimate losses by separately projecting ultimate claim frequency and severity and in this way avoids distortions that may be present in other methodologies as well as providing additional insight on the true drivers of loss experience.

Solvency II requires undertakings to hold technical provisions which correspond to the amount they would have to pay to transfer their (re)insurance obligations immediately to another undertaking. This value comprises a **best estimate** and a **risk margin**, intended to represent a market consistent valuation**.** The technical provisions take account of the time value of money by discounting using a

risk-free interest rate term structure as at the valuation date. There is no allowance for prudence in the calculation of best estimates.

The best estimate is calculated by considering all future cash inflows and outflows required to settle the existing (re)insurance obligations over their lifetime. It represents the mean outcome of all possible scenarios, taking account of how likely they are to occur and their potential variability. In this regard, the best estimate is a probability-weighted average of future cash flows, allowing for the time value of money.

The Solvency II best estimate is calculated gross with any recoverables calculated separately following the same methodology. The best estimate is made up of a claims provision and a premium provision, relating to past and future exposures respectively. An allowance has been made for reinsurer counterparty default. Claims payments in the claim and premium provisions have been projected at annual intervals using annual paid development patterns.

The Solvency II claims provision is equivalent to the expected net present value of the best estimate claims reserve, with additional allowances to allow for all possible outcomes through the inclusion of provisions for Events Not in Data (ENID) and the future expenses that will be incurred in servicing the existing reinsurance obligations. The claims provision also includes all unpaid premium relating to earned exposures that are within payment terms.

Under the Solvency II contract boundary definition, any policies which have been bound, even if unincepted as at the valuation date, must be considered in the premium provision. The Solvency II premium provision is therefore equivalent to the expected net present value of the following cash inflows and outflows, relating to unearned exposure from incepted contracts and exposure from unincepted contracts bound as at the valuation date:

- Cash flows from future premiums in relation to future claims;
- Cash flows arising from future claim events (e.g. claims payments);
- Cash flows arising from loss adjustment expenses in respect of claims events occurring after the valuation date;
- Cash flows arising from the ongoing administration of policies in-force as at the valuation date; and
- Cash flows arising from salvage and subrogation.

Nokatus had no bound but not incepted business at 31 December 2018.

Estimates are “best estimates” in the sense that they are intended to be a probability-weighted average of all possible outcomes. Nokatus has employed techniques and assumptions that are appropriate for the purpose of calculating its Solvency II technical provisions. The actual amounts required to meet future claim payments may differ from estimates for a number of reasons, such as model specification error, parameter error and random error due to the inherent uncertainty in insurance. External environment risk factors may cause material deviations in estimates of technical provisions, including persistent negative interest rates, inflation and currency exchange rate fluctuations.

The Solvency II risk margin is intended to represent an amount that Nokatus would be required to pay, in excess of the best estimate of the liabilities, for a third party to assume the risk of running of the existing liabilities. The actuarial calculation of the risk margin is consistent with the Solvency II regulations, applying a 6% cost of capital to the amount of capital required at the beginning of each

year to support the run-off of the insurance obligations. These future costs of capital are then discounted to the valuation date and summed to calculate the amount of risk margin required.

The resultant differences between the value of technical provisions for solvency purposes and the financial statements at 31 December 2018 are shown below (EUR'000):

	Gross	Reinsurer's share	Net
Claims provisions on financial statements basis	**21,475**	**258**	**21,217**
Removal of margin for uncertainty	(3,351)	(257)	(3,095)
Provision for expenses in claims provision	349	-	349
Provision for Events Not In Data	453	-	453
Unpaid premium cash flows	(8)	-	(8)
Unpaid claims cash flows	(267)	-	(267)
Discounting	(37)	-	(37)
Solvency II claims provisions	**18,613**	**1**	**18,612**
Premiums provisions per financial statements	154	-	154
Adjustment to best estimate (including ENID)	(49)	-	(49)
Provision for expenses in premium provision	2	-	2
Unpaid premium cash flows	-	-	-
Discounting	(7)	-	(7)
Solvency II premium provisions	**100**	**-**	**100**
Risk margin on technical provisions	**491**	**-**	**491**
Total Solvency II technical provisions	**19,204**	**1**	**19,203**

Information on how the Company manages risk in the area of underwriting and reserving is set out in Section C1 above. Operational risks relating to the Company's technical provisions and claims data are managed using the Control Framework described in Section B4 above.

The Company is satisfied that it has access to sufficient historical claims data on an annual basis for the calculation of its technical provisions and that this data is accurate and appropriate for the Company's needs. Claims management processes by the Company are appropriate and adequate given the nature of the underlying risks. Significant reporting delays are not experienced.

In calculating its technical provisions on a Solvency II basis, Nokatus has not applied any of the following items:

- matching adjustment referred to in Article 77b of Directive 2009/138/EC;
- volatility adjustment referred to in Article 77d of Directive 2009/138/EC;
- transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC; and
- transitional deduction referred to in Article 308d of Directive 2009/138/EC.

D.3 Other liabilities

Other liabilities of EUR 83,538 are classified as payables for solvency purposes. This comprises accrued expenses. There are no valuation adjustments for solvency purposes.

The trade payables figure of EUR 571,883 relates to tax payable and there are no adjustments for solvency purposes.

The deferred tax liability of EUR 238,234 arises as a result of the overall increase in the Company's available capital when moving from the financial statements basis of accounting to a Solvency II valuation. It is calculated by applying the prevailing corporation tax rate of 12.5% to the sum of all the other valuation adjustments explained in this Section D.

D.4 Alternative methods for valuation

No alternative methods were used.

D.5 Any other information

There is no other information to report.

E. CAPITAL MANAGEMENT

E.1 Own funds

The Company has put in place a Capital Management policy to ensure that 'Own Fund' items, both at issue and subsequently, meet the requirements of the Solvency II capital regime. The objectives of the policy are to ensure that on an on-going basis the Company has:

- own fund items available to meet its capital requirements; and
- developed processes to ensure the appropriateness of its own fund items.

As part of the annual review of the medium-term capital plan, the Company reviews the level, composition and classification of own fund items to ensure they continue to meet its own solvency needs, and its regulatory obligations in respect of Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR). A 3 year forward looking time horizon is used for business planning purposes and any anticipated changes to the Company's business and risk profile are factored into the ORSA process to assess the solvency and capital needs over this business planning period. It is intended that the Company's capital needs will be managed out of its existing pool of own funds and the efficient management of the Company's insurance business. Should additional funds be required outside of that, they will be advanced by the shareholder.

The Company's own funds consist of the following items:

- Issued Share Capital; and
- Retained Earnings.

Any change to the share capital requires the approval of the Shareholder and the Board. Retained earnings are adjusted on a quarterly basis to take account of the profits/losses earned in the period together with any Solvency II valuation adjustments.

The payment of dividends is considered on an annual basis by the Board as part of its medium-term capital assessment. Potential dividends will be considered as part of the Company's ORSA process to ensure that the Company will continue to meet its solvency needs over the business planning period.

Any other qualifying own fund item requires the review and approval of the Board. In such instances, the Board must ensure that the terms and conditions of any own fund item are clear and unambiguous in relation to the capital classification.

Own fund items at the end of reporting period and the prior year comparative period are as follows:

	2018 EUR	2017 EUR
Ordinary paid up share capital	3,000,000	3,000,000
Reconciliation reserve	113,611,045	104,511,993
Total Tier 1 capital	116,611,045	107,511,993
Net deferred tax asset – Tier 3 capital	-	-
Total basic own funds	116,611,045	107,511,993

The movement in basic own funds during the reporting period reflects the adjustment for restricted own fund items relating to a collateral backed Letter of Credit in 2017 which is no longer collateral backed at the end of the reporting period, and the profitability of the Company as adjusted for the valuation of net

technical provisions on a market consistent fair value basis under Solvency II. The reconciliation reserve represents the Company's retained profits as adjusted for Solvency II valuation principals. The adjustments which arise in the application of these principles are shown in the equity reconciliation below.

At the end of the current reporting period eligible own funds available to meet the Company's SCR are EUR 116,611,045, comprised entirely of Tier 1 capital. Eligible own funds available to meet the Company's MCR are EUR 116,611,045, comprised solely of Tier 1 capital.

The equity position as shown in the Company's 2018 year-end financial statements can be reconciled to the basic own funds balance under Solvency II as follows:

	2018 **EUR**
Equity per the Company's financial statements	**114,943,406**
Adjustments to technical provisions and reinsurance recoverables	2,168,736
Removal of insurance debtors and creditors	(248,964)
Removal of Deferred Acquisition Costs	(13,899)
Deferred tax liability	(238,234)
Own funds (excess of assets over liabilities for solvency purposes)	**116,611,045**

Adjustments are made to technical provisions in line with the valuation methodologies set out in section D.2 above. In addition, The Company's debtor/creditor items relating to unpaid premium/claim balances within credit terms are included within the technical provision calculation. These adjustments are reflected in the Company's reconciliation reserve. A deferred tax liability is recognised due to the increase in available capital between the financial statements and the regulatory own funds. The amount represents 12.5% of the above adjustments.

Nokatus has no ancillary own funds and there are no transitional arrangements impacting its capital calculations.

E.2 Solvency capital requirement and minimum capital requirement

At the end of the current reporting period, The Company's SCR and MCR have been calculated as EUR 87,269,363 and EUR 21,817,341.

The SCR is intended to correspond to the capital the Company needs to hold in order to limit the probability of ruin, in the following 12 months, to 0.5%, i.e. ruin would occur less than once in every 200 years. The SCR calculated at the end of the current reporting period, relates to the capital required to support the business over the prospective 12 months; covering both existing liabilities and business written during 2019. Based on the Company's eligible own funds of EUR 116,611,045 the Company has a solvency ratio at 31 December 2018 of 134%.

The SCR has been calculated using the standard formula and without the application of any undertaking specific parameters.

The split of SCR by risk modules is shown below, together with the prior year comparative:

SCR Results Comparison (€'000)

Risk charge	31-Dec-18	31-Dec-17	Movement
Premium/Reserve Risk	4,321	6,141	(1,820)
Catastrophe Risk	245	215	30
Lapse Risk	22	35	(13)
Diversification Benefit	*(199)*	*(192)*	*(7)*
Non-Life Underwriting Risk	**4,389**	**6,199**	**(1,810)**
Premium/Reserve Risk	45	126	(81)
Health Underwriting Risk	**45**	**126**	**(81)**
Counterparty Default Risk	**1,019**	**2,283**	**(1,264)**
Interest Rate Risk	4	22	(18)
Spread Risk	5,336	4,636	700
Currency FX Risk	874	1,531	(657)
Concentration Risk	85,027	73,846	11,181
Diversification Benefit	*(6,028)*	*(6,003)*	*(25)*
Market Risk	**85,212**	**74,032**	**11,180**
Diversification Benefit	*(3,957)*	*(6,106)*	*2,149*
BSCR	**86,708**	**76,533**	**10,175**
Operational Risk	**561**	**834**	**(273)**
SCR	**87,269**	**77,367**	**9,902**
Available Capital	116,611	107,512	9,099
Surplus/Deficit	**29,342**	**30,145**	**(803)**
Solvency Ratio	134%	139%	(5%)
MCR	**21,817**	**19,342**	**2,475**

The movement on the SCR from the prior year is mainly driven by the increase in concentration risk as a result of an increase in the intercompany loan. The increase in the SCR has been partially offset by a decrease in non-life underwriting risk due to a release in reserves following better than expected experience and claim payments made during the course of the year.

The change in operational risk is driven by the decrease in technical provisions. The movements in the other sub modules were immaterial.

The MCR is calculated through a prescribed formula based on the net technical provisions (excluding the risk margin) and net written premium. It is also constrained to be between 25% and 45% of the SCR. Further to this, SI 485 sets out absolute minimum MCR values for non-life and life insurers, reinsurers and captives. In the case of Nokatus, as a non-life captive insurer, this absolute floor is EUR 3,700,000. Having carried out the calculations and applied the relevant limits, the resultant MCR for the Company is EUR 21,817,341. The movement in MCR from the prior year reflects the increase in SCR.

E.3 Use of duration-based equity risk sub module in calculation of the solvency capital requirement

There was no use of duration based equity risk sub module in the calculation of the SCR.

E.4 Differences between the standard formula and any internal model used

Nokatus used the standard formula in determining its SCR and MCR and did not rely on any internal model.

E.5 Non-Compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

There are no instances of non-compliance with the MCR and SCR.

E.6 Any other information

There is no other information to report.

Note: Tables within this report contain minor rounding differences in certain instances due to amounts being displayed as whole numbers or in thousands while the source workings underlying the annual reporting templates are calculated to two decimal places. These differences are immaterial.

ANNEX I – QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 – Balance sheet*

S.05.01.02 – Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 – Non Life technical provisions*

S.19.01.21 – Claim development triangles*

S23.01.01 – Own funds*

S25.01.21 – SCR using standard formula*

S28.01.01 – MCR*

*templates subject to external audit.

Amounts are in EUR'000

ANNEX I - QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 - Balance Sheet

S.05.01.02 - Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.12.01.02 - Life and Health SLT Technical Provisions

S.17.01.02 - Non Life technical provisions

S.19.01.21 - Claim development triangles

S.22.01.21 - Impact of long term guarantees measures and transitionals

S.23.01.01 - Own funds

S.25.01.21 - SCR using standard formula

S.28.01.01 - MCR

S.02.01.02 - Balance Sheet (In thousands of EUR)

		C0010
		Solvency II value
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	990
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	
R0190	Derivatives	
R0200	Deposits other than cash equivalents	990
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	118,264
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	118,264
R0270	Reinsurance recoverables from:	1
R0280	Non-life and health similar to non-life	1
R0290	Non-life excluding health	1
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	240
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	
R0410	Cash and cash equivalents	17,214
R0420	Any other assets, not elsewhere shown	
R0500	**Total assets**	136,709

S.02.01.02 - Balance Sheet (In thousands of EUR)

		C0010
		Solvency II value
Liabilities		
R0510	Technical provisions – non-life	19,204
R0520	Technical provisions – non-life (excluding health)	19,000
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	18,514
R0550	Risk margin	486
R0560	Technical provisions - health (similar to non-life)	204
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	199
R0590	Risk margin	5
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	Technical provisions calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions – index-linked and unit-linked	0
R0700	Technical provisions calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	238
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	572
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	
R0880	Any other liabilities, not elsewhere shown	84
R0900	Total liabilities	20,098
R1000	**Excess of assets over liabilities**	116,611

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Gross - Direct Business	R0110									
Gross - Prop reinsurance accepted	R0120								238	
Gross - Non-Prop reinsurance accepted	R0130									
Reinsurers' share	R0140									
Net	R0200	0	0	0	0	0	0	0	238	0
Premiums earned										
Gross - Direct Business	R0210									
Gross - Prop reinsurance accepted	R0220								219	
Gross - Non-Prop reinsurance accepted	R0230									
Reinsurers' share	R0240									
Net	R0300	0	0	0	0	0	0	0	219	0
Claims incurred										
Gross - Direct Business	R0310						596	948	-926	
Gross - Prop reinsurance accepted	R0320	-134		-98			-975	-1,224	-2,312	
Gross - Non-Prop reinsurance accepted	R0330									
Reinsurers' share	R0340								-147	
Net	R0400	-134	0	-98	0	0	-379	-276	-3,091	0
Changes in other technical provisions										
Gross - Direct Business	R0410									
Gross - Prop reinsurance accepted	R0420									
Gross - Non-Prop reinsurance accepted	R0430									
Reinsurers' share	R0440									
Net	R0500	0	0	0	0	0	0	0	0	0
Expenses incurred	R0550						2	30	792	
Other expenses	R1200									
Total expenses	R1300									

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				TOTAL
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	R0110			231					231
Gross - Prop reinsurance accepted	R0120			96					334
Gross - Non-Prop reinsurance accepted	R0130								0
Reinsurers' share	R0140								0
Net	R0200	0	0	327	0	0	0	0	565
Premiums earned									
Gross - Direct Business	R0210			355					355
Gross - Prop reinsurance accepted	R0220			110					329
Gross - Non-Prop reinsurance accepted	R0230								0
Reinsurers' share	R0240								0
Net	R0300	0	0	465	0	0	0	0	684
Claims incurred									
Gross - Direct Business	R0310			-1,791					-1,173
Gross - Prop reinsurance accepted	R0320			66					-4,677
Gross - Non-Prop reinsurance accepted	R0330								0
Reinsurers' share	R0340			-300					-447
Net	R0400	0	0	-1,425	0	0	0	0	-5,403
Changes in other technical provisions									
Gross - Direct Business	R0410								0
Gross - Prop reinsurance accepted	R0420								0
Gross - Non-Prop reinsurance accepted	R0430								0
Reinsurers' share	R0440								0
Net	R0500	0	0	0	0	0	0	0	0
Expenses incurred	R0550			482					1,306
Other expenses	R1200								
Total expenses	R1300								1,306

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: life insurance obligations						Life reinsurance obligations		TOTAL
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410									0
Reinsurers' share	R1420									0
Net	R1500	0	0	0	0	0	0	0	0	0
Premiums earned										
Gross	R1510									0
Reinsurers' share	R1520									0
Net	R1600	0	0	0	0	0	0	0	0	0
Claims incurred										
Gross	R1610									0
Reinsurers' share	R1620									0
Net	R1700	0	0	0	0	0	0	0	0	0
Changes in other technical provisions										
Gross	R1710									0
Reinsurers' share	R1720									0
Net	R1800	0	0	0	0	0	0	0	0	0
Expenses incurred	R1900									0
Other expenses	R2500									
Total expenses	R2600									0

S.05.02.01 - Premiums, claims and expenses by country (In thousands of EUR)

		Home country	Country (by amount of GWP)					Total for top 5 countries and home country
			GB	FR				
		C0080	C0090	C0090	C0090	C0090	C0090	C0140
Premiums written								
Gross - Direct Business	R0110			231				231
Gross - Proportional reinsurance accepted	R0120		238	96				334
Gross - Non-proportional reinsurance accepted	R0130							0
Reinsurers' share	R0140							0
Net	R0200	0	238	327	0	0	0	565
Premiums earned								
Gross - Direct Business	R0210			355				355
Gross - Proportional reinsurance accepted	R0220		219	110				329
Gross - Non-proportional reinsurance accepted	R0230							0
Reinsurers' share	R0240							0
Net	R0300	0	219	465	0	0	0	684
Claims incurred								
Gross - Direct Business	R0310		-74	-1,098				-1,172
Gross - Proportional reinsurance accepted	R0320		18	-4,561				-4,543
Gross - Non-proportional reinsurance accepted	R0330							0
Reinsurers' share	R0340		-147	-300				-447
Net	R0400	0	91	-5,359	0	0	0	-5,268
Changes in other technical provisions								
Gross - Direct Business	R0410							0
Gross - Proportional reinsurance accepted	R0420							0
Gross - Non-proportional reinsurance accepted	R0430							0
Reinsurers' share	R0440							0
Net	R0500	0	0	0	0	0	0	0
Expenses incurred	R0550		551	755				1,306
Other expenses	R1200							
Total expenses	R1300							1,306

S.12.01.02 - Life and Health SLT Technical Provisions (In thousands of EUR)

		Insurance with profit participation		Other life insurance				Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
Technical provisions calculated as a whole	R0010									0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020									0
Technical provisions calculated as a sum of BE and RM										
Best Estimate										
Gross Best Estimate	R0030									0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080									0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	0		0	0		0	0	0	0	0
Risk Margin	R0100									0
Amount of the transitional on Technical Provisions										
Technical Provisions calculated as a whole	R0110									0
Best estimate	R0120									0
Risk margin	R0130									0
Technical provisions - total	R0200	0	0			0			0	0	0

S.12.01.02 - Life and Health SLT Technical Provisions (In thousands of EUR)

		Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
			Contracts without options and guarantees	Contracts with options or guarantees			
		C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010						0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020						0
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	R0030						0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080						0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		0	0	0	0	0
Risk Margin	R0100						0
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	R0110						0
Best estimate	R0120						0
Risk margin	R0130						0
Technical provisions - total	R0200	0			0	0	0

S.17.01.02 - Non Life technical provisions (In thousands of EUR)

		Direct business and accepted proportional reinsurance											
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130
Technical provisions calculated as a whole	R0010												
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050												
Technical provisions calculated as a sum of BE and RM													
Best estimate													
Premium provisions													
Gross	R0060								28				72
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140												
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	0	0	0	28	0	0	0	72
Claims provisions													
Gross	R0160	86		113			3,917	5,793	8,056				648
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240								1				
Net Best Estimate of Claims Provisions	R0250	86	0	113	0	0	3,917	5,793	8,055	0	0	0	648
Total Best estimate - gross	R0260	86	0	113	0	0	3,917	5,793	8,084	0	0	0	720
Total Best estimate - net	R0270	86	0	113	0	0	3,917	5,793	8,083	0	0	0	720
Risk margin	R0280	2		3			103	153	212				17
Amount of the transitional on Technical Provisions													
Technical Provisions calculated as a whole	R0290												
Best estimate	R0300												
Risk margin	R0310												
Technical provisions - total													
Technical provisions - total	R0320	88	0	116	0	0	4,020	5,946	8,296	0	0	0	737
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	0	0	0	1	0	0	0	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	88	0	116	0	0	4,020	5,946	8,295	0	0	0	737

S.17.01.02 - Non Life technical provisions (In thousands of EUR)

		Accepted non-proportional reinsurance				TOTAL
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010					0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050					0
Technical provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross	R0060					100
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140					0
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	100
Claims provisions						
Gross	R0160					18,613
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240					1
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	18,612
Total Best estimate - gross	R0260	0	0	0	0	18,713
Total Best estimate - net	R0270	0	0	0	0	18,712
Risk margin	R0280					490
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole	R0290					0
Best estimate	R0300					0
Risk margin	R0310					0
Technical provisions - total						
Technical provisions - total	R0320	0	0	0	0	19,203
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	1
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	19,202

S.19.01.21 - Claim development triangles (In thousands of EUR)

Gross Claims Paid (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10+	Current year	All years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
Prior	R0100											-1	-1	-1
N-9	R0160	1,971	5,703	743	74	32		14		0	411		411	8,947
N-8	R0170	794	3,976	67	-213		26						0	4,649
N-7	R0180	807	7,016	-26	-1,331	-65		-3	-6				-6	6,391
N-6	R0190	735	1,221	-200	34	0	-609	-0					-0	1,180
N-5	R0200	238	921	-13	2		176						176	1,323
N-4	R0210		7			-310							-310	-302
N-3	R0220				1,529								1,529	1,529
N-2	R0230			504									504	504
N-1	R0240												0	0
N	R0250												0	0
	R0260											Total	2,303	24,221

Gross undiscounted Best Estimate Claims Provisions - Development year (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	Year End (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
Prior	R0100											6,638	6,641
N-9	R0160								17	3,515	1,873		1,850
N-8	R0170							22	513	453			454
N-7	R0180						31	2,365	651				653
N-6	R0190					46	1,229	243					244
N-5	R0200				575	2,065	521						517
N-4	R0210			337	3,294	3,904							3,897
N-3	R0220		78	4,938	1,917								1,917
N-2	R0230	415	2,263	2,447									2,454
N-1	R0240	-381	142										134
N	R0250	-141											-148
	R0260											Total	18,613

S.22.01.21 - Impact of long term guarantees measures and transitionals (In thousands of EUR)

		Amount with Long Term Guarantee measures and transitionals				
			Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010					
Basic own funds	R0020					
Eligible own funds to meet Solvency Capital Requirement	R0050					
Solvency Capital Requirement	R0090					
Eligible own funds to meet Minimum Capital Requirement	R0100					
Minimum Capital Requirement	R0110					

S.23.01.01 - Own funds (In thousands of EUR)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	3,000	3,000			
Share premium account related to ordinary share capital	R0030	0				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Surplus funds	R0070	0				
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	113,611	113,611			
Subordinated liabilities	R0140	0				
An amount equal to the value of net deferred tax assets	R0160	0				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	0				
Total basic own funds after deductions	R0290	116,611	116,611	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0

S.23.01.01 - Own funds (In thousands of EUR)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	116,611	116,611	0	0	0
Total available own funds to meet the MCR	R0510	116,611	116,611	0	0	
Total eligible own funds to meet the SCR	R0540	116,611	116,611	0	0	0
Total eligible own funds to meet the MCR	R0550	116,611	116,611	0	0	
SCR	R0580	87,269				
MCR	R0600	21,817				
Ratio of Eligible own funds to SCR	R0620	1.3362248				
Ratio of Eligible own funds to MCR	R0640	5.3449604				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	116,611
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	3,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	113,611
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	0

S.25.01.21 - SCR using standard formula (In thousands of EUR)

Basic Solvency Capital Requirement

		Gross solvency capital requirement	USP	Simplifications
		C0040	C0090	C0100
Market risk	R0010	85,212		
Counterparty default risk	R0020	1,019		
Life underwriting risk	R0030			
Health underwriting risk	R0040	45		
Non-life underwriting risk	R0050	4,389		
Diversification	R0060	-3,957		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	86,708		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	561
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	87,269
Capital add-on already set	R0210	
Solvency capital requirement	R0220	87,269
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

S.28.01.01 - MCR (In thousands of EUR)

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	2,002

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	86	
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040	113	
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070	3,917	
Fire and other damage to property insurance and proportional reinsurance	R0080	5,793	
General liability insurance and proportional reinsurance	R0090	8,083	238
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130	720	326
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Linear formula component for life insurance and reinsurance obligations		C0040
MCRL Result	R0200	0

Total capital at risk for all life (re)insurance obligations		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation		C0070
Linear MCR	R0300	2,002
SCR	R0310	87,269
MCR cap	R0320	39,271
MCR floor	R0330	21,817
Combined MCR	R0340	21,817
Absolute floor of the MCR	R0350	3,700
Minimum Capital Requirement	R0400	21,817