LeasePlan

Euro Insurances DAC (LPINS)

Solvency and Financial Condition Report ("SFCR") 2020

For the year-end 31 December 2020

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Executive Summary

This Solvency and Financial Condition Report ("SFCR") has been prepared in line with the requirements of the Solvency II ("SII") Regulations, to assist clients of Euro Insurances DAC ("the Company" or "LPINS") and other stakeholders in understanding the nature of our business, how it is managed, and its solvency position.

The structure of the SFCR follows the requirements set forth in Annex XX of the Delegated Acts and consists of the following sections: (A) Business and Performance, (B) System of Governance, (C) Risk Profile, (D) Valuation for Solvency II Purposes and (E) Capital Management.

a) Summary Section A: Business and Performance

The Company is a wholly owned subsidiary of LeasePlan Corporation NV, Gustav Mahlerlaan 360, 1082 ME Amsterdam.

The Company insures / reinsures the motor damage and third-party liability risks of LeasePlan companies and third party clients, providing motor own damage risk services to these companies and cover for ancillary motor and leasing related risks. The Company operates on a freedom of services ("FoS") basis, primarily into European markets.

The Company's profit after tax for the financial year 2020 was €61.6m. The following table summarises the financial performance of the Company for the reporting period ending 31 December 2020:

Financial Performance as at 31st December 2020 (€'000)	
	Amount
Underwriting Performance	80,580
Investment Performance	(1,415)
Expected Credit Loss	(16)
Other Income and Expenses	(8,331)
Net Profit before Tax	**70,818**
Unrealised investment gains	0
Comprehensive Income	**70,818**
Corporation Tax	(9,211)
Comprehensive Income after Tax	**61,607**

The Company achieved underwriting income of €80.6m, net investment income of -€1.4m and incurred other income and expenses not related to the underwriting or investment income of €8.3m.

The result for 2020 reflects strong performances in a significant number of jurisdictions (including Spain, Netherlands, France and Portugal), positive claims experience due to lower claims frequency during the Covid-19 lockdowns and some positive claims runoff.

LPINS received a small number of client requests for client premium accommodations - across a range of countries - as a result of the Covid-19 pandemic. The vast majority of these requests were granted. As LPINS' clients are predominantly its LeasePlan affiliates, when their lease clients sought Covid-19 accommodations, these, where granted, were typically granted as part of the leasing contract. It is for this reason that LPINS received fewer client requests for accommodations than would otherwise be the case.

In 2020, the Company continued to grow the insurance portfolio in existing programs and a small number of new insurance programs were deployed across various territories.

There was a negative return on investment in 2020. This loss was higher than in 2019 but in line with expectations. In 2020 the overhead costs were slightly lower than in 2019.

Refer to Section A for further detail relating to business and performance.

b) Summary Section B: System of Governance

The Board's responsibility includes ensuring that an appropriate System of Governance is in place throughout the Company. To discharge this responsibility, the Board has established frameworks for risk management and internal control using the "Three Lines of Defence" model, as follows:

- **1st Line of Defence (Business Operations):** Business management is responsible for the identification and assessment of risks and the implementation and enforcement of controls.

- **2nd Line of Defence (Oversight & Challenge):** Board Sub-committees and Control Functions provide key oversight of activities in business operations and challenge the completeness/accuracy of risk identification, assessment and controls.

- **3rd Line of Defence (Independent Assurance):** Internal Audit provides independent and objective assurance on the robustness of the Risk Management System, and the appropriateness and effectiveness of internal controls.

In addition, the Company has adopted a Fit and Proper Person Policy and operates a Code of Conduct for all staff. In particular, all persons performing Control Functions (CFs) must be competent and capable as demonstrated through qualifications, having obtained appropriate skills, sound knowledge of the Company's business, understanding of the applicable regulatory and legal environment and compliance with the Central Bank of Ireland's Minimum Competency Requirements where applicable. The Company also operates a range of controls over its outsourcing.

Management considers the Company to have a robust system of governance based on the nature, scale and complexity of its operations.

Refer to Section B for further detail on the Company's system of governance.

c) Summary Section C: Risk Profile

The Company's risk landscape comprises, at a minimum, underwriting risk, market risk, credit risk, operational risk and liquidity risk that arise as a result of doing business. These risks are assessed within the Company using an entity level assessment conducted by the management team, process

level assessments conducted by process owners and a strategic risk assessment conducted by the Board Risk Committee.

For those risk types managed through the holding of capital, the company measures and monitors the risk profile on the basis of the Solvency Capital Requirement ("SCR"). A summary of the Company's SCR by primary risk type at 31 December 2020 is set out below (please note that diversification benefit explains the summation of the individual components exceeding the overall requirement):

€'000	LPINS Capital Requirements
Market risk	23,075
Counterparty default risk	15,358
Non-life underwriting risk	88,558
Health Underwriting Risk	29,457
Operational risk	7,552
Life underwriting risk	883
LACDT*	(14,994)
SCR	**104,960**

*where LACDT is the Loss Absorbing Capacity of Deferred Taxes

The Company's largest risk charge is for non-life underwriting risk. This charge represents the risk associated with the writing of insurance business and the settling of claim provisions. Underwriting risk is mitigated through a combination of geographical diversification, underwriting key risk indicators, risk appetite statements and a process-level risk and control self-assessment to assess, monitor and report upon underwriting risk. This risk is also mitigated through the purchase and use of reinsurance.

Although no additional capital is deemed necessary to cover other risks including liquidity risks, the position regarding the need to hold capital in respect of liquidity (and other) risks is regularly monitored while, at the same time, a number of mitigations relevant to liquidity risk are in place including performing daily and monthly cash flow forecasts to monitor liquidity positions, performing daily monitoring of bank accounts against the monthly cash flow forecast and short matching assets to cover some longer tail technical reserve payment requirements.

Refer to Section C for further details on the Company's risk profile.

d) Summary Section D: Valuation for Solvency Purposes

Assets, technical provisions and other liabilities are valued in the Company's Solvency II Balance Sheet according to Solvency II regulations. The principle that underlies the valuation methodology for Solvency II purposes is that assets and liabilities are valued at the amount for which they could be exchanged, transferred, or settled by knowledgeable and willing third parties in an arm's length transaction – often referred to as the "market consistent" value of assets.

The following table presents a summary of the Solvency II valuation of assets and liabilities compared to the Statutory Accounts as at 31 December 2020:

Comparison of valuation of assets and liabilities under Solvency II vs Statutory Accounts as at 31st December 2020 (€'000)		
	Solvency II	**Statutory Accounts Valuation**
Assets		
Total Assets	**580,779**	**645,216**
Liabilities		
Technical Provisions	279,657	346,652
Other liabilities	56,831	64,196
Total Liabilities	**336,488**	**410,848**
Excess of assets over liabilities	**244,291**	**234,368**

The main differences between the valuation bases, methods and assumptions used by the Company in the two reporting bases are outlined in Section D.

e) Summary Section E: Capital Management

The strategic objectives of capital management within the Company are to ensure regulatory compliance including maintaining adequate levels of capital, to maintain sufficient liquidity, to manage and allocate capital efficiently, and finally to ensure that all of the above objectives are consistent with the continuation of profitable business in line with Company Strategy.

The following table compares the solvency position of the Company, which is assessed using the Standard Formula, at 31 December 2020 to the position at 31 December 2019:

LPINS Solvency Position as per submitted QRTs (€'000)	At December 2020	At December 2019
Eligible Own Funds	244,291	187,003
Solvency Capital Requirement	104,960	111,207
SCR Coverage	233%	168%
Minimum Capital Requirement	40,664	39,615
MCR Coverage	601%	472%

All of the Company's own funds are classified as Tier 1 and are available to cover the SCR and the MCR.

There were no instances of non-compliance with the MCR and the SCR during the reporting period.

Refer to Section E for further details on the Company's capital management.

f) Summary: Material Changes over the Reporting Period

This report relates to the financial year ending 31 December 2020. During the year there were no material changes to the areas set out in sections A to E above. Please refer to Section A for significant events over the period.

A Business and Performance

1. Business and External Environment

a) Name and Legal Form

Euro Insurances DAC, trading as LeasePlan Insurance, has its office address at LeasePlan House, Ground Floor, Central Park, Leopardstown, Dublin 18, Ireland.

The Company had 52 FTEs as at 31 December 2020.

b) Supervisor and External Auditor

The Central Bank of Ireland ("CBI") is responsible for financial supervision of the Company.

The CBI's address is Central Bank of Ireland, New Wapping Street, North Wall Quay,
PO Box 559, Dublin 1, Ireland.

The Company's external auditors are KPMG Ireland with an address at 1 Harbourmaster Place, International Financial Services Centre, Dublin 1, Ireland.

The Company's financial year end is 31 December each year and the Company reports in Euro.

c) Position within the Group

The Company is a wholly-owned direct subsidiary of LeasePlan Corporation N.V., with an address at Gustav Mahlerlaan 360, 1082 ME, Amsterdam, The Netherlands.

LeasePlan Corporation N.V. is indirectly owned by a consortium of the following six investors:

- ADIA: Since 1976, the Abu Dhabi Investment Authority (ADIA) has been prudently investing funds on behalf of the Government of Abu Dhabi, with a focus on long-term value creation. ADIA manages a global investment portfolio that is diversified across more than two dozen asset classes and subcategories, including quoted equities, fixed income, real estate, private equity, alternatives and infrastructure.
- ATP: ATP was established in 1964 and is Denmark's largest pension fund and one of Europe's largest pension funds.
- Broad Street Investments: A Singapore based Holding company.
- GIC: GIC is a leading global investment firm with well over US$100 billion in assets under management. Established in 1981, the firm manages Singapore's foreign reserves and is positioned for long-term and flexible investments across a wide range of asset classes, including public equities, fixed income, real estate, and private equity. In private equity, GIC invests through funds as well as directly in companies, partnering with fund managers and management teams to help businesses achieve their objectives. GIC employs more than 1,300 people.

- PGGM: PGGM is a cooperative Dutch pension fund service provider. Institutional clients are offered: asset management, pension fund management, policy advice and management support. Either alone or together with strategic partners, PGGM develops innovative products by linking together pension, care, housing and work.
- TDR Capital: TDR Capital LLP is a highly selective private equity firm with a track record of investing in businesses. TDR Capital LLP was founded in 2002 and currently manages funds totalling over €8 billion on behalf of a range of sophisticated investors.

The Company does not have any subsidiaries or branches.

d) Material Lines of Business and Geographical Areas

The Company insures / reinsures the motor damage and third-party liability risks of LeasePlan companies and third-party clients. In addition, it provides cover for ancillary motor and leasing related risks.

The Company mainly deals with LeasePlan entities in Europe under the freedom of services model. During 2020, the Company availed of fronting arrangements in relation to risks in Australia and New Zealand. As the company's business is predominately in relation to the lease vehicle fleets of its leasing affiliates, the Company's business is predominately with related parties, including related party policyholders, intermediaries and service providers. The Company's related parties include the following entities:

LeasePlan Australia Limited, Melbourne
LeasePlan Ceska Republika s.r.o., Prague
LeasePlan Danmark A/S, Copenhagen
LeasePlan Deutschland GmbH, Düsseldorf
LeasePlan Finance N.V., Amsterdam
LeasePlan Finland Oy, Helsinki
LeasePlan Fleet Management (Polska) Sp. z o.o., Warsaw
LeasePlan Fleet Management Services Ireland Ltd, Dublin
LeasePlan Fleet Management N.V., Zavantem
LeasePlan France S.A.S., Paris
LeasePlan Hellos S.A., Athens
LeasePlan Hungaria Zrt, Budapest
LeasePlan Italia S.p.A., Milan
LeasePlan Luxembourg, Luxemburg
LeasePlan Nederland N.V., Amsterdam
LeasePlan New Zealand Limited, Auckland
LeasePlan Norge AS, Oslo
LeasePlan Österreich Fuhrparkmanagement GmbH, Vienna
LeasePlan Partnerships & Alliances N.V., Zavantem
LeasePlan Portugal Comercio e Aluguer de Autom6veis e Equipamentos Unipessoal Lda., Lisbon
LeasePlan Romania SRL, Bucharest
LeasePlan Servicios S.A., Madrid
LeasePlan Slovakia s.r.o., Bratislava
LeasePlan Service Sverige AB, Stockholm

LeasePlan Sverige AB, Stockholm
LeasePlan Truck N.V., Zavantem
LeasePlan UK Ltd, Slough
LeasePlan Versicherungsvermittlungsgesellschaft mbH, Düsseldorf
Accident Management Services B.V, Almere
Accident Management Services S.R.L., Bucharest
Fleet Accident Management Services Sp. z.o.o., Warsaw
Fleet Cover Sociedade Mediacao de Seguros Lda, Lisbon
Fleet Insurance Plan s.r.o., Prague
Garanthia Plan SL, Madrid
Societe de Courtages d'Assurances Groupe SARL, Paris

e) Significant Events over the Period

During 2020 the COVID-19 pandemic caused significant disruption in the global economy and this continued into 2021. In response to this pandemic, numerous governments imposed various levels of restrictions on movement and closed sections of their economies. These restrictions led to reduced numbers of road users and mileage driven. As a result, the Company observed a reduction in claims frequency on its primary products, TPL and OD. This has had a corresponding positive impact on the Company's profits. The employees of the Company have been working from home in line with government requirements since March 2020. During this period, the Company has actively engaged with employees to manage any potential impact of Covid-19 on their health and productivity.

The Company's policyholders are predominately its LeasePlan affiliates within the LeasePlan group. Due to effects related to the COVID-19 pandemic, growth in the LeasePlan fleet in 2020 was less than projected prior to the pandemic and, accordingly, growth in the Company's insured fleet was less than initially projected. In most cases, the Company's LeasePlan affiliate policyholders did not request client premium accommodations or refunds on account of the COVID-19 pandemic. The Company did receive a small number of requests for client premium accommodations in relation to its third-party policyholders. These requests were spread across a range of countries and the majority of these requests were granted.

In Q4 2020 the Company's quota share reinsurance treaty with a fronting insurer in Australia and New Zealand ceased and entered claims run-off. Accordingly, the Company no longer provides reinsurance in respect of the Company's affiliates in Australia and New Zealand.

IFRS17 is a new accounting standard, issued by the International Accounting Standards Board, for insurance contracts. The standard will be effective from 1 January 2023. IFRS 17 has a single accounting model for all types of insurance contracts and will replace IFRS 4, the current IFRS accounting standard for insurance contracts. LeasePlan Insurance will be required to fully comply with the IFRS 17 standard when it comes into effect. Reporting under IFRS 17 will require updates to the internal processes and systems used for reporting at LeasePlan insurance. A project, involving a multidisciplinary team, is currently underway to ensure the requirements of the standard are met by the effective date.

2. Underwriting Performance

a) Underwriting Performance by Material Line of Business / Geographical Area

The Company insures / reinsures the motor damage and third-party liability risks of LeasePlan companies and third-party clients. In addition, it provides cover for ancillary motor and leasing related risks.

Please find below an overview of underwriting income by geographical area:

Underwriting Income by Geographical Region (€'000)		
Region	**2020**	**2019**
Central Europe (Belgium, France, Austria, Germany, Luxembourg)	12,672	11,676
Eastern Europe (Czech Republic, Poland, Hungary, Romania, Slovakia)	14,318	14,395
Northern Europe (Norway, Netherlands, Denmark, Sweden, Finland, Ireland, United Kingdom)	17,818	5,315
Southern Europe (Italy, Spain, Portugal, Greece)	34,644	25,567
Rest of the world (Australia, New Zealand)	1,128	2,261
Total	**80,580**	**59,214**

During 2020 the overall underwriting income increased by €21.4m to €80.6m:

The main driver for the increase of €21.4m was the lower claims frequency due to Covid-19 lockdowns across many jurisdictions. LPINS received a small number of client requests for client premium accommodations - across a range of countries - as a result of the Covid-19 pandemic. The vast majority of these requests were granted. As LPINS' clients are predominantly its LeasePlan affiliates, when their lease clients sought Covid-19 accommodations, these, where granted, were typically granted as part of the leasing contract. It is for this reason that LPINS received fewer client requests for accommodations than would otherwise be the case.

- The uplift in Central Europe result was mainly driven by a strong performance in the French Market. All other countries were broadly in line with 2019.

- The Eastern region result for 2020 was in line with 2019 result. A strong result in Poland was offset by lower results in Hungary and Romania.

- The increase in underwriting income in Northern Europe was due to lower claims frequency across a number of countries with the largest contribution coming from the Netherlands. The 2019 result reflected an adverse claims experience in Finland.

- In Southern Europe, lower claims frequency due to the Covid pandemic has delivered strong results in Portugal, Spain & Greece. These positive results are offset by a decline in the Italy income due to the reduction in the Italian Third Party Liability insured fleet, much of which transferred to a local external insurer in November 2019.

- The Company has provided reinsurance cover to LeasePlan Australia & LeasePlan New Zealand fleets via a fronting arrangement for many years. In 2020, the provider of this fronting structure confirmed that it could no longer support the model. Therefore, with effect 1st December 2020, both LeasePlan Australia and LeasePlan New Zealand placed their insurance book in the local market.

The underwriting income figures above exclude overhead expenses and investment income.

Please find below an overview of underwriting income by line of business:

Underwriting Income by SII Line of Business (€'000)		
Line of Business	**2020**	**2019**
Income protection	8,638	7,190
Motor vehicle liability	40,193	24,550
Other motor	18,723	14,165
Fire and other damage	200	267
Legal expenses	1,135	984
Assistance	1,025	1,117
Miscellaneous financial loss	9,538	8,680
Other motor (proportional reinsurance)	1,128	2,261
Total	**80,580**	**59,214**

There was an uplift in Underwriting Income of €21.4m in 2020. The main driver for the increase of €21.4m was the lower claims frequency due to Covid-19 lockdowns across many jurisdictions.

- The Underwriting income for the Motor Vehicle Liability line of business shows an uplift of €15.6m and the main driver for this significant uplift is the lower claims frequency experienced in 2020 partially offset by the drop in income in Italy due to the reduction in the fleet at the end of 2019.

- The Other Motor line of business saw a significant increase of €4.6m in underwriting income compared to the 2019 year. This result is driven by growth in the Own Damage programs in a number of countries.

- There are increases in underwriting income for the income protection (€1.4m) and miscellaneous financial loss (€0.86m) lines of businesses.

- Other motor (proportional reinsurance) shows a decrease in underwriting income of €1.1m from 2019 to 2020. LPINS' fronting arrangement in Australia & New Zealand ended at the end of November 2020.

The underwriting income figures above exclude overhead expenses and investment income.

3. Investment Performance

a) Investment Performance by Asset Class

At the end of 2020, the Company holds €477.5m (2019 €407m) in investments as valued on an IFRS basis. The net investment loss relating to deposits during 2020 was -€1.49m. The net investment income relating to bonds was €80k.

During the reporting period interest rates on deposits continued to deteriorate and this had a negative impact on the investment return for the financial period. There are no management or transaction costs associated with the placement of the deposits.

The company also holds a selection of bonds, which incur management charges. At the end of 2020, the Company held c.€35m in sovereign and corporate bonds. The Company is planning to gradually expand the bond portfolio in coming years.

The Company holds a bond portfolio from counterparties with a minimum credit rating of investment grade for an individual holding and a target rating for the overall Bond Portfolio of A-, as issued by Standard and Poor's for corporate bonds and Moody's for Government bonds. In addition, the Company has c.€10m in bonds issued by LeasePlan N.V. (S&P rating of BBB-).

The following table compares the Company's investment performance in 2020 with that in 2019:

LPINS Investment Performance excluding FX gains and losses (€'000)		
	2020	**2019**
Deposits & Bonds		
Investment Income	(1,414)	(952)
Net Loss from deposits	*(1,494)*	*(1,022)*
Net Income from bonds	*80*	*70*
Gains/Losses	*0*	*0*

The Bonds are valued on an amortised cost basis under IFRS with an IFRS 9 adjustment for Expected Credit Loss. No valuation gains or losses are recognised in the profit and loss or equity. Under Solvency II, the bonds are valued at their market value and any changes in this value will impact the level of assets held by the Company.

b) Investments in Securitisations

The Company holds all funds in deposits, in cash accounts or in bonds. Therefore, the Company does not hold any securitised investments.

4. Performance of other activities

a) Description of Other Material Income / Expenses

The Company had foreign exchange losses in 2020 of €1k (2019 loss of €16k). Operating Expenses for 2020 were €17.3m (2019 €18.4m).

LPINS - Performance of Other Material Income/Expenses (€'000)		
	2020	**2019**
Foreign Exchange Gains/Losses	(1)	(16)
Operating Expenses	(17,287)	(18,422)

Foreign currency transactions are translated into the functional currency utilising the exchange rates prevailing at the date of these transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised. The Company completes a review of the net assets and liabilities in foreign currencies on a monthly basis and reduces any material exposure. The Company does not engage in foreign exchange trading.

Overhead Expenses for 2020 were €8.2m (2019 €8.7m). In 2020 overhead was €0.46m lower than the previous year. The increase in staff related costs (driven by an uplift in the headcount) was offset by a reduction in other overhead costs including travel, general office expenses and legal fees.

Refer to section D.3 of this report for details on operating leases recognised by the Company.

5. Any other information

The Company has no other disclosures to make in respect of the Company's Business and Performance.

B System of Governance

1. General Information on the System of Governance

a) Board and Sub-Committee Structure

The Company is classified as a Medium-Low risk firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as Probability Risk and Impact SysteM ("PRISM"). The Company is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings.

The Company's Board of Directors carry responsibility for the oversight of the business and sets its strategy and risk appetite. At year-end 2020 the Board comprised the following:

- Board of Directors:
  - G. Stoelinga, Chairman (Group Non-Executive Director)
  - G. Owens (Non-Executive Director)
  - A. O'Donnell (Independent Non-Executive Director)
  - S. Fay (Independent Non-Executive Director)
  - V. McMullan (Executive Director)

- Company Secretary:
  - M. Clarke

In February 2020, G. Owens resigned as Independent Non-Executive Director and Chair of the Audit and Compliance Committee and A. O'Donnell was appointed as Independent Non-Executive Director and Chair of the Audit and Compliance Committee. G. Owens remains a Non-Executive Director. In February 2020, I. Barbadillo resigned from the role of Group Non-Executive director. In August 2020 M. Harney resigned from the role of Independent Non-Executive Director and S. Fay was appointed to the role of Independent Non-Executive Director. In March 2021, J. Sutor was appointed to the Board as a Group Non-Executive Director. The Chairman of the Board is a Group Non-Executive Director.

The Board has established a Board Risk Committee and an Audit and Compliance Committee to assist it in discharging its obligations. The Board Risk Committee comprises all members of the Board. At year-end 2020, the Audit and Compliance Committee comprised A. O'Donnell (Chairman), S. Fay and G. Owens. Each Committee operates under defined terms of reference and reports to the Board.

The Company is committed to high standards of corporate governance. The Company has appointed an independent Head of Actuarial Function and the Board has completed an annual review of governance and its committee structures in line with the Corporate Governance Requirements for Insurance Undertakings. During the financial year to 31 December 2020, the Board met on seven occasions, the Audit and Compliance Committee met on five occasions and the Board Risk Committee met on five occasions.

The Audit and Compliance Committee exercises oversight over the Company's Internal Control System and the Board Risk Committee exercises oversight over the Company's Risk Management System.

The Audit Committee assists the Board in discharging its responsibilities in relation to:

a) The integrity of the Company's financial statements,
b) The effectiveness of the Company's compliance and internal controls,
c) The Solvency II Actuarial Function including Actuarial Opinion on Technical Provisions,
d) The effectiveness of the Company's Internal Audit function, and
e) Monitoring the effectiveness, independence and objectivity of the external auditor.

The Board Risk Committee assists the Board in discharging its responsibilities in relation to:

a) The implementation and effectiveness of the Company's Risk Management System,
b) The timely reporting of material deviations from defined risk appetite,
c) Reviewing the risk profile of the Company and monitoring the key risks it faces,
d) Monitoring the performance of outsourced providers, and
e) The Own Risk and Solvency Assessment (ORSA).

There were no material changes in the Company's system of governance during the year.

b) Remuneration Policy and Practice

The Company's Board has adopted a Remuneration Policy. The aim of the policy is to ensure that the Company's remuneration practices do not encourage excessive risk taking, to promote sound and effective risk management and to ensure that the Company's Remuneration Framework is in line with its values and long-term interests. The Company's Remuneration Policy adopts the Group Remuneration Framework of its parent company, LeasePlan Corporation N. V. The LeasePlan Group Remuneration Framework aims to attract, retain, motivate and reward high-calibre employees to deliver first rate long-term business performance in line with business strategy and approved risk appetite.

LeasePlan Corporation is a Dutch DNB regulated credit institution, and, as a result, the LeasePlan Group Remuneration Framework adopts the remuneration rules applicable to Dutch credit institutions. These rules comprise CRDIV and the Dutch Banking Code, the Regulation on Sound Remuneration Policies pursuant to the Financial Supervision Act 2014, the Dutch Act on Remuneration Policies for Financial Enterprises (Wbfo) and Book 2 of the Dutch Civil Code. The Company, through its Remuneration Policy and the LeasePlan Group Remuneration Framework, is subject to these remuneration rules. In addition, the Company's Remuneration Policy applies the Central Bank of Ireland Guidelines on Variable Remuneration Arrangements for Sales Staff.

In accordance with the Company's Remuneration Policy and the LeasePlan Group Remuneration Framework the following remuneration principles apply to all Company staff:

a) Variable remuneration is performance-related, consists of a mix of financial (maximum 50%) and non-financial elements and reflects both short-term and long-term strategic goals;
b) Variable remuneration targets are specific, measurable, attainable, relevant and time-bound;
c) Variable remuneration in principle cannot exceed 100% of fixed remuneration;
d) Other benefits for staff are provided in line with market practice; and
e) Clawback and malus provisions are applicable to all variable remuneration awarded.

The Company's Remuneration Policy seeks to prevent the taking of more risk than is acceptable under the Company's risk appetite framework. Remuneration plans reward according to performance at group, company and individual level as appropriate. Individual objectives include a combination of financial and non-financial targets, taking into account ethical behaviour and corporate responsibility. Variable remuneration plans are underpinned by performance management systems in order to reinforce a performance culture.

The Company does not offer share options or shares to staff or Board members. The Company operates a defined contribution pension scheme which is open to all qualifying employees. Non-executive members of the Board do not participate in the scheme. Certain non-executive members of the Board receive remuneration from the Company in respect of their Board membership.

c) Material Transactions with Connected Persons

The Company is a wholly owned direct subsidiary of LeasePlan Corporation N.V. The majority of the Company's business is intra-group, meaning that the Company predominately writes insurance in connection with the motor fleet leasing and management activities of its affiliates within the LeasePlan Group. Many of the Company's policyholders, intermediaries, claim handlers and other service providers are subsidiaries of LeasePlan Corporation N.V. and some of the Company's bank deposits and bonds are with LeasePlan Corporation N. V. During the reporting period the Company continued and/or entered into such transactions in the normal course of its business. The Company paid a dividend of €10m in February 2020 which was accrued in the 2019 statutory accounts and regulatory returns. No further dividends were paid in 2020.

The Company did not enter into material transactions with members of the Board or persons who exercise a significant influence on the Company.

2. Fit and Proper Requirements

The Company has adopted a Fit and Proper Person Policy and operates a Code of Conduct for all staff. The Company's Fit and Proper Person Policy applies the requirements of the Central Bank of Ireland's Fitness and Probity Standards ("the Standards") and the Company complies with same. Persons who hold control functions, including key functions known as Pre-Approval Control Functions (PCFs), are subject to assessment and due diligence in accordance with the policy. The Company assesses the fitness and probity of such persons prior to their assumption of the control function concerned. The fitness and probity of the holders of control functions is subject to ongoing monitoring. All persons performing Pre-Approval Control Functions must be competent and capable. The Company requires this to be demonstrated through professional or other qualifications, having obtained appropriate skills, demonstrating a sound knowledge of the Company's business, demonstrating an understanding of the applicable regulatory and legal environment and, where applicable, compliance with the Central Bank of Ireland's Minimum Competency Requirements.

The Company's Fit and Proper assessment process comprises an application form, certification, evidence of professional qualifications, evidence of continuing professional development where relevant, interview, references, record of previous experience, concurrent responsibilities and evidence of compliance with the Minimum Competency Requirements where relevant.

The Company's assessment process also includes probity and financial soundness due diligence which includes completion and signature by the individual of the Company's Probity and Financial Soundness Declaration and for PCFs, background checks and searches as prescribed in the Central Bank of Ireland Fitness and Probity Requirements. Following this due diligence, the Company's Fitness and Probity Committee completes, documents and signs the assessment. In addition, for PCFs the Company's Board performs an assessment and an on-line application is made to the Central Bank of Ireland and the Company certifies as to the outcome of its prior assessment. The proposed holder of a PCF may commence in his/her role following receipt of approval by the Central Bank of Ireland. The Company requires PCF holders to certify annually as to their compliance with the Fitness and Probity Standards and confirm that information provided previously remains accurate.

3. Risk Management System including the Own Risk and Solvency Assessment

a) Risk Management System

The Company's Risk Management System includes clearly defined risk management objectives, written policies for the material risks faced by the Company, a Risk Management Framework to identify, assess, manage, monitor and report on risks and an Own Risk and Solvency Assessment (ORSA) process.

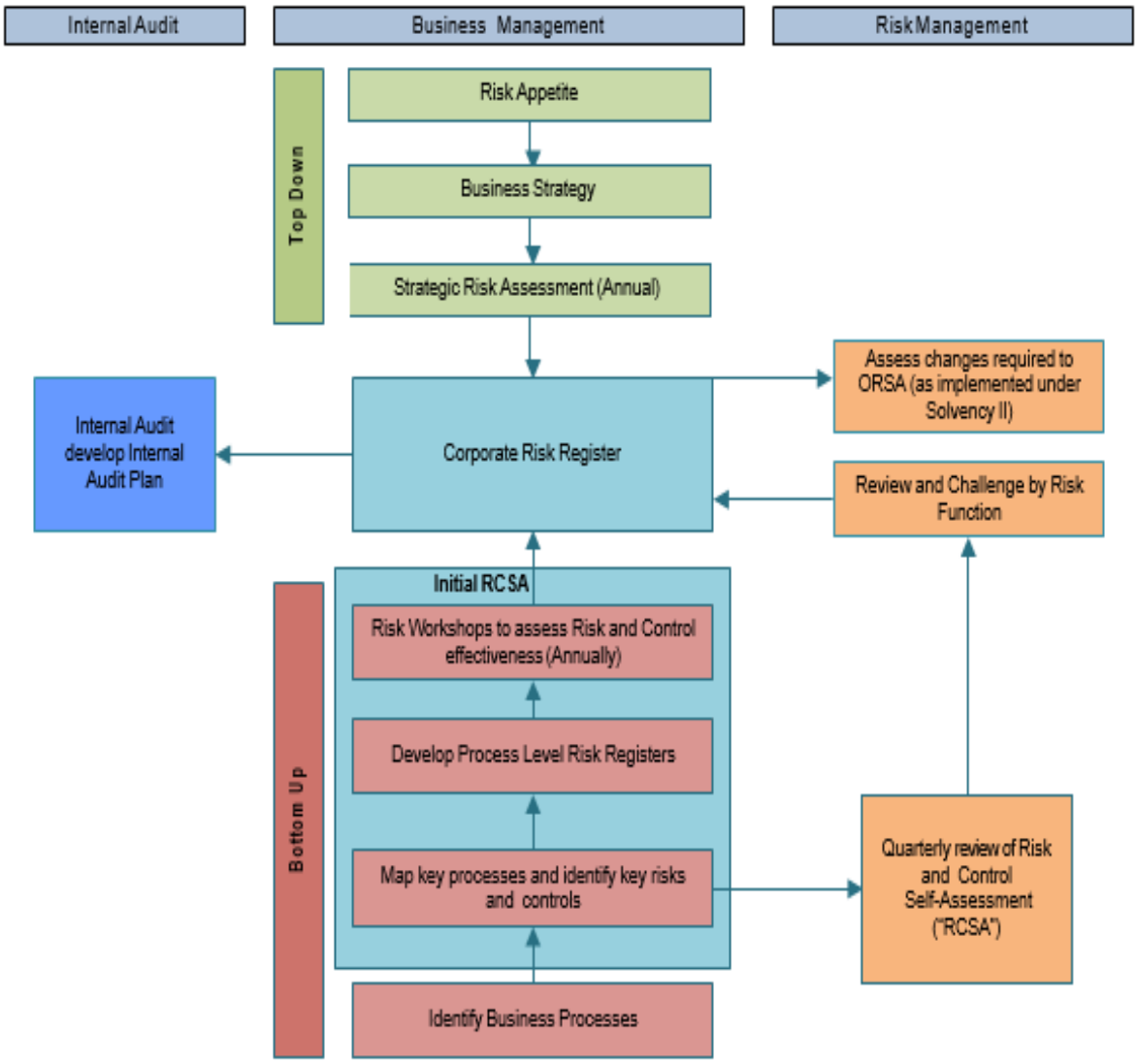
The Company's Risk Management Strategy takes account of the Company's business strategy and seeks to monitor and manage the risks associated with the implementation of the business strategy.

The main objective of the Company's Risk Management System is to ensure that all significant risks are identified, assessed, monitored and controlled within the agreed risk appetite. The framework ensures that the risk management process is explicit and facilitates effective oversight and challenge. Risk control procedures and systems seek to manage, rather than eliminate, the risk of failure to meet business objectives. The Company's Risk Management Framework includes the following processes:

a) Risk Appetite setting and monitoring;
b) Company level Enterprise Risk Assessment;
c) Process level Risk and Control Self-Assessment;
d) Board level Strategic Risk Assessment; and
e) Risk Reporting.

The Company in these processes has adopted the 'Risk Control Cycle' in order to identify, assess, manage, monitor and report on the risks to which it is exposed:

The following diagram describes how the Company's Risk Management System is integrated into the Company's organisational structure and decision-making processes.



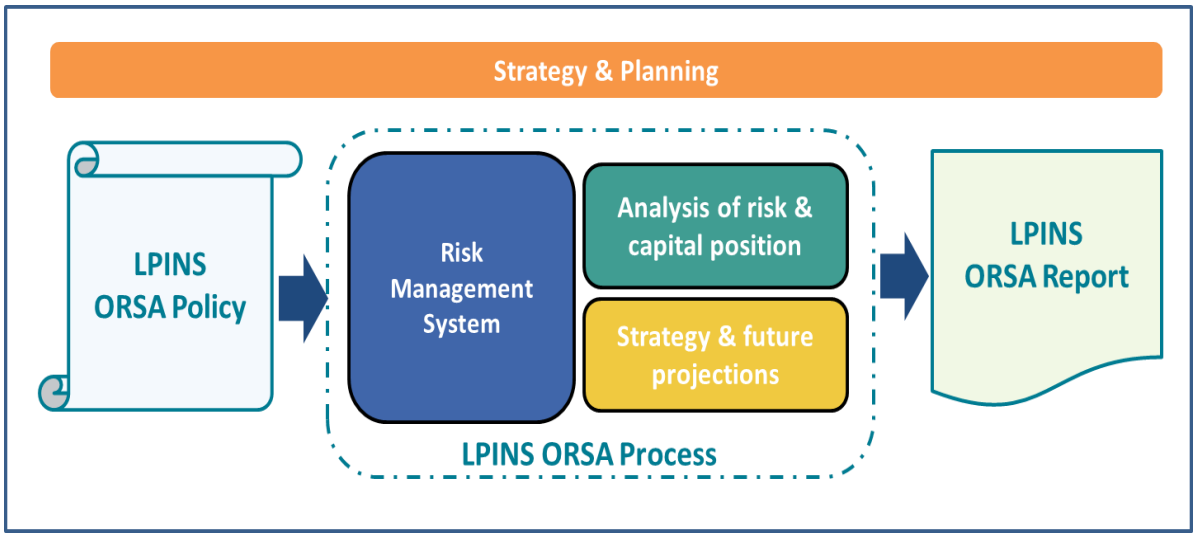
There were no gaps identified in the Risk Management System during the reporting period.

b) Own Risk and Solvency Assessment

The Company's Risk Management System includes the conduct of an Own Risk and Solvency Assessment ("ORSA") at least annually and more often in the event of a material change in the Company's risk profile. During the reporting period the Company conducted one scheduled ORSA. No material change occurred necessitating the performance of an ad hoc ORSA during the reporting period.

The Company uses its ORSA process to consider its risk exposures and capital requirements over the business planning timeframe. This acts as a key input into the Company's strategic decision making and business planning process. The Company's ORSA assesses risks inherent in its business and determines its corresponding capital needs whilst taking into consideration its risk profile, approved

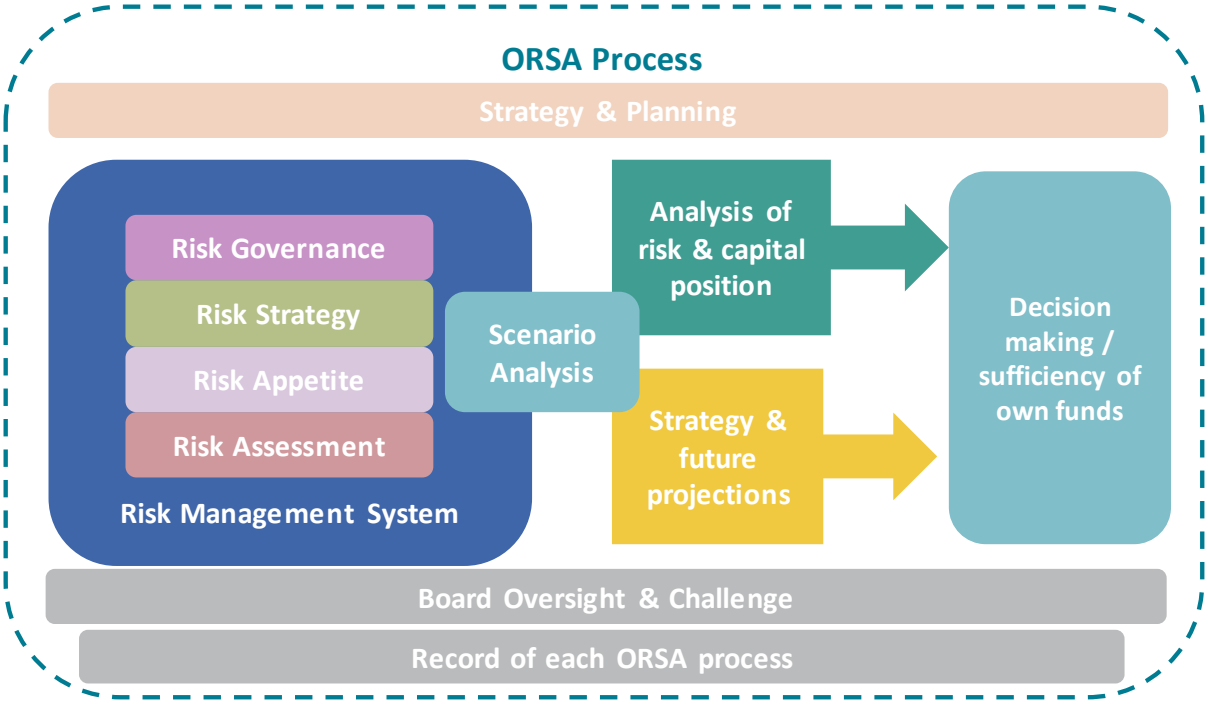
risk tolerance limits and business strategy. The Company's ORSA process comprises the following steps:



The Company's ORSA process is a circular process that relies on key elements of the business:

a) Board strategy, policies and plans;
b) The Solvency II Pillar I Balance Sheet standard model results, and base assumptions used;
c) The Risk Management System and its outputs, which identifies the key risks;
d) The Board Risk Committee which reviews, challenges and approves the test scenarios including the ORSA output;
e) The Actuarial Department which runs the tests on the Balance Sheet for capital adequacy and produce the resultant output;
f) The Risk Function, Actuarial Department and management which assess the outputs and prepare the reports;
g) The Actuarial Function which provides its opinion on both the ORSA input stress tests and resultant outputs;
h) The Board Risk Committee and Board's assessment of the output and resultant capital, strategy and risk appetite review; and
i) ORSA reporting to the Central Bank of Ireland.

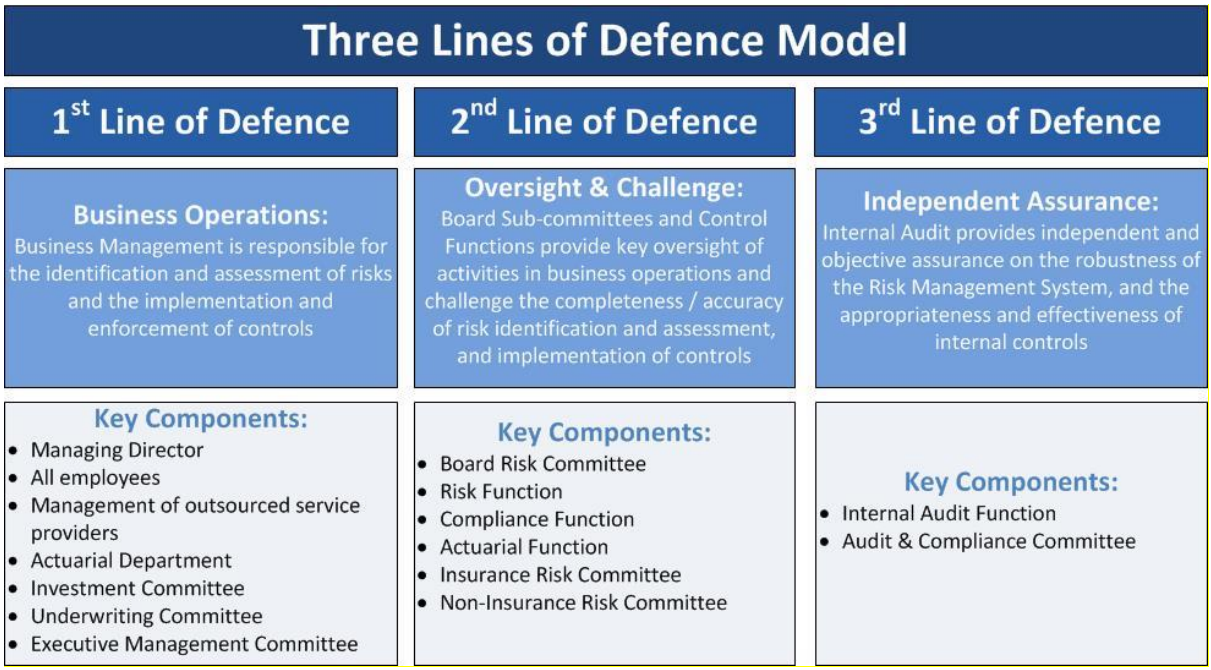
In its ORSA the Company uses, as a base, the Solvency II Standard Formula Model to calculate the required solvency capital but also considers a number of "non-quantifiable" risks when assessing its own solvency needs. The results are subjected to a range of scenario and stress tests that are reviewed by management and challenged by the Board and, where appropriate, potential management actions are noted and conclusions drawn. The following diagram depicts the ORSA process in greater detail. It shows that stress and scenario tests are used in conjunction with the assessment of risk and capital to facilitate decisions about the adequacy of the Company's own funds.



ORSA assessments to date indicate that the Company is adequately capitalised.

4. Internal Control System

The Company's Internal Control System consists of five interrelated components, namely control environment, risk assessment, control activities, reporting, and monitoring. The Company's Internal Control System adopts the "Three lines of Defence" model as set out in the following diagram.



The Company's Internal Control System and Internal Control Policy set out the role of each of the first line of defence functions in respect of business operations, the second line of defence functions in relation to oversight and challenge and the third line of defence functions in relation to independent assurance.

The Actuarial Function is the second line of defence and operates independently of both the first line (responsible for determining the technical provisions, reinsurance and underwriting) as well as the other three key functions (internal audit, risk management and compliance).

a) Compliance Function

The Company's Compliance Function, led by the Head of Legal, Risk and Compliance, operates in accordance with the Company's Compliance Policy. The Compliance Function forms part of the second line of defence within the Company's Internal Control System. The primary activities of the Compliance Function comprise:

a) Identification of compliance obligations;
b) Development and delivery of an annual compliance plan and report;
c) Training and education;
d) Advice on compliance matters;
e) Incident management and reporting;
f) Liaison with the Central Bank of Ireland and other regulators; and
g) Reporting, including to the Audit & Compliance Committee.

The activities of the Compliance Function are subject to periodic audit by Internal Audit.

5. Internal Audit Function

The Company outsources its Internal Audit Function to the Group Audit Department of LeasePlan Corporation N. V. in accordance with the Company's Outsourcing Policy. The Function operates in accordance with the Company's Internal Audit Policy and the LeasePlan Corporation Internal Audit Charter which have been approved by the Board. The policy is reviewed and updated on an annual basis and more frequently if required.

The Company's Internal Audit Function is independent from business units and forms part of the third line of defence in the Company's Internal Control System. The Company's outsourcing of its Internal Audit Function to its parent company assists in preserving the independence and objectivity of the function as the function comprises no staff of the Company. The Company and its Internal Audit Function subscribes to the Institute of Internal Auditors definition of internal audit which requires "independent, objective, assurance". The Company's Internal Audit Policy sets out the measures taken by the Company and the Internal Audit Function to maintain ongoing independence including audit staff rotation.

The Internal Audit Function conducts an internal audit of the Company at least annually. Internal Audit findings and recommendations are reported to the management body who are required to respond to those findings and recommendations.

The Internal Audit Function, via LeasePlan Corporation's Senior Vice President of Internal Audit, reports to the Audit and Compliance Committee of the Company. The Audit and Compliance Committee considers audit plans, audit reports, resourcing and performance.

6. Actuarial Function

The Company outsources its Actuarial Function, including Head of Actuarial Function, to an actuary and Central Bank approved Head of Actuarial Function within a Big Four accounting firm in accordance with the Company's Outsourcing Policy. The Function operates in accordance with the Company's Actuarial Function Terms of Reference. The Company's Actuarial Function forms part of the second line of defence in the Company's Internal Control System.

The Company's Actuarial Function has the following key responsibilities:

Technical Provisions

- Coordination of calculation of technical provisions including the Actuarial Function Report on Technical Provisions ("ARTP");
- Review of appropriateness of methodologies and assumptions;
- Review of data sufficiency and quality; and
- Experience analysis.

Opinions

- Delivery of Actuarial Opinion on Technical Provisions ("AOTP") following analysis conducted for the ARTP;
- Delivery of Opinion on the Company's Underwriting Policy;
- Delivery of Opinion on the Company's Reinsurance arrangements; and
- Delivery of Opinion on the Company's ORSA.

Risk Management

- Contributing to the effective implementation of the Risk Management System, in particular with regard to the Solvency Capital Requirement ("SCR") and Minimum Capital Requirement ("MCR"); and contributing to the Own Risk and Solvency Assessment ("ORSA") process.

7. Outsourcing

The Company operates an Outsourcing Policy which is approved by the Audit and Compliance Committee and adopted by the Board. The Outsourcing Policy outlines the Company's policy with regard to the outsourcing of critical or important functions or activities ("Core Outsourcing") which are essential to the operation of the Company. The Company's Outsourcing Policy outlines the roles and responsibilities, procedures, approval requirements, monitoring and reporting requirements applicable to Core Outsourcing.

As the Company is part of the LeasePlan group, much of the Company's outsourcing is to other group entities. The Company's Core outsourced activities comprise:

Core Activity	Description	Jurisdiction of Service Provider
Claims Handling	Provision of claim handling activities on behalf of the Company (some claims handling activities may not constitute critical or material outsourcing and therefore some claim handlers may not be in scope).	Various EEA jurisdictions into which the Company writes insurance
Investment Management (Deposits)	Provision of treasury services to the Company.	Ireland
Data storage and systems support	Management of the platforms that host the Company's systems and data and provision of first line support to the Company.	Ireland
Internal Audit	Provision of internal audit services.	Netherlands
Actuarial Function	Actuarial Function including Head of Actuarial Function.	Ireland
System to support Solvency II Reporting	System to support Solvency II QRT Reporting to the Central Bank of Ireland.	Germany
Fiscal representation and administration	Fiscal representation and administration activities in the countries in which the Company operates.	United Kingdom and the various EEA jurisdictions into which the Company writes insurance
Investment Management (Bonds)	Exercise of investment discretion within investment guidelines set by the Company.	Ireland

8. Any other information

The Company believes that its system of governance as set out in the Company's Internal Control System, Risk Management System and Board Charter are adequate in the light of the nature, scale and complexity of the risk inherent in its business. The Company's business is monoline, namely motor and related insurances, and its business is predominately in connection with the fleet leasing and fleet management activities of its affiliate entities within the LeasePlan Group. The Company believes that its Internal Control System incorporates appropriate challenge and oversight by persons with appropriate knowledge of the Company's business. The Company believes that its Risk Management System, including ORSA, provides a sufficiently forward-looking and robust assessment of risk in the context of the Company's predominately intra-group business model. Finally, the Company believes that its corporate governance, including Board, sub-committees and management committees, provides appropriate internal review and challenge.

The Company has no other disclosures to make in respect of the Company's System of Governance.

C Risk Profile

The Company is subject to risks in the course of its business. These risks include underwriting risk, market risk, credit risk, liquidity risk and operational risk. Underwriting risk comprises mainly non-life underwriting risk; however, a certain amount of health and life underwriting risks arise incidentally from the non-life insurance contracts written by the Company. These risks comprise the company's primary material risks. These risks are assessed within the Company using an entity level assessment conducted by the management team, process level assessments conducted by process owners and a strategic risk assessment conducted by the Board Risk Committee. The Company's Risk Function, led by the Head of Legal, Risk and Compliance, operates in conjunction with the Risk Function of its parent, LeasePlan Corporation.

The Company has adopted the risk mitigation techniques of its parent company where considered appropriate. The Company operates a Risk Appetite Framework based on capital usage. This capital usage-based risk appetite follows a quantitative and qualitative approach to risk appetite and is integrated with the ORSA process and the Company's business strategy. With the exception of the cessation of reinsurance in respect of Australia and New Zealand, there were no material changes to the Company's risk exposure and, with the exception of the prudent change of the Company's capital-based risk appetite described below, there were no material changes to the measures used to assess same. The Company does not use special purpose vehicles and does not have exposures arising from off-balance sheet positions.

The table below gives the breakdown of the various risk charges making up the Company's SCR as calculated by the Standard Formula as at 31 December 2020. Please note that diversification benefit explains the summation of the individual components exceeding the overall requirement.

€'000	LPINS Capital Requirements
Market risk	23,075
Counterparty default risk	15,358
Non-life underwriting risk	88,558
Health Underwriting Risk	29,457
Operational risk	7,552
Life underwriting risk	883
LACDT	(14,994)
SCR	**104,960**

In accordance with the Company's SCR Assurance Process, between year-ends, SCR and SCR coverage ratio are monitored at least on a quarterly basis, to ensure continuous SCR compliance.

1. Underwriting Risk

a) Risk Exposure

During the year, the Company's exposure to Underwriting Risk was across 23 jurisdictions. The Company's gross written premium during the reporting period was €249m across all jurisdictions. Legislation, regulations, market requirements and market practices vary across these markets. Likewise, underwriting requirements and risks vary across these markets. While the Company's Underwriting Risk is diversified across multiple markets, its knowledge of individual markets is necessarily less than that of domestic insurers in those markets. The Company's Underwriting Risk Policy sets out the Company's processes for the management of Underwriting Risk. The Company uses a process-level risk and control self-assessment to assess, monitor and report upon Underwriting Risk. The Company uses key risk indicators and risk appetite statements to monitor its underwriting risk. The biggest change in the Company's underwriting risk exposure during the reporting period was the cessation of reinsurance business in Australia and New Zealand. The exposures on both of these countries entered run-off in December 2020.

The Company's largest risk charge under the SCR is the Non-life underwriting risk charge. This charge represents the risk associated with the writing of insurance business and settling of claims provisions. At 31 December 2020, the Company had a non-life underwriting risk charge of €88.6m.

The company has a risk charge of €29.5m in respect of health underwriting risk owing to its personal injury business. The bulk of this charge is related to the CAT risk which does not fit very well with the LPINS business model - however, the inclusion of this risk charge within the SCR has a modest impact given that it results in an almost equal and opposite increase in the diversification allowance within the calculation. The Company also has a small risk charge of €0.8m in respect of life underwriting risk. This risk charge relates to the longevity risk associated with Periodical Payment Orders (PPO's).

b) Risk Concentration

The Company writes various types of non-life insurance risks, including motor third party liability and motor own damage, as well as ancillary covers and leasing related risks. The Company's business is predominately sourced from within the LeasePlan Group.

The Company's business is well diversified geographically, both between countries and within countries. As a result, few underwriting risk concentrations exist. The company's premium and reserve risk is well diversified across all European regions. A risk concentration does exist in relation to natural catastrophe risk where the Company's gross SCR charge is largely driven by exposures in Italy. When reinsurance is considered, this risk concentration is largely mitigated. Thereafter, a modest level of diversification exists between product lines. The main product sold by the company is motor third-party liability insurance (LOB 4) and this is reflected in the underwriting charge being driven by the capital requirement on LOB 4. Concentration of risk is also mitigated through reinsurance.

c) Risk Mitigation

The Company's Risk Management System and related policies set out the techniques used by the Company to manage and mitigate the risk to which it is exposed. The Company uses its program of risk assessments, risk appetite monitoring and risk governance via risk committees and the Board Risk Committee to monitor the continued effectiveness of these risk mitigation techniques.

The risk mitigation techniques used by the Company to mitigate underwriting risk are set out in the Company's Underwriting Risk Policy. These include the operation of risk selection and pricing procedures, the operation of an Underwriting Committee, underwriting authorities, reinsurance, underwriting exposure limits, escalation procedures, and reporting, including to the control functions of the Company.

In addition, reinsurance is purchased to reduce and contain the volatility of results. The level of retention in different reinsurance contracts is aligned with the size and the risk profile of the underlying portfolios. This includes taking account of the cost of reinsurance on the one hand and the risk that is retained on the other. Risk that is retained is constrained through pre-defined limits as set by the Underwriting Committee.

The Company's underwriting risk appetite and underwriting key risk indicators are used by the Underwriting Committee, Risk Committee and the Board Risk Committee to monitor the ongoing effectiveness of these risk mitigation techniques. The Underwriting Function undertakes an underwriting process level risk and control self-assessment. In addition, the Company's Business Controls Function (second line of defence) and Internal Audit Function (third line of defence) test and audit the effectiveness of the Company's underwriting processes.

d) Risk Sensitivity

A number of sensitivity tests are used to assist the Company with understanding its exposure to the volatility of the Company's more material risks. These sensitivity tests on the Company's key risk exposures help identify and quantify risks and help inform the Company's decision-making process.

The following are the sensitivity analyses carried out that impact Underwriting Risk:

- Expected loss ratios are a key assumption in the estimate of ultimate losses. As at 31 December 2020, sensitivity analyses show that an increase of 2.5% in the loss ratios used in the calculation of the premium component of the technical provisions would result in an increase in the SCR charge of €42k. In terms of SCR coverage ratio, a reduction of 4% is observed, largely due to the reduction in Own Funds.

The above stress test would have the following impact on the Company's Solvency metrics:

Scenario	Own Funds (€000s)	Solvency Capital Requirement (SCR) (€000s)	Solvency Coverage Ratio
Base scenario	**244,291**	**104,960**	**233%**
Increase in loss ratios of 2.5%	239,989	105,002	229%

In addition, Underwriting related stresses are included in a number of the Company's ORSA scenarios. This process helps the Company stress its Underwriting risk exposure over the business planning period including in combination with other stressed risk exposures.

2. Market Risk

a) Risk Exposure

The Company's exposure to Market Risk is predominately in relation to its investments. The Company's investments at the reporting date totalled €477.5m. The Company's investments are predominately bank deposits. Deposits with a term of greater than 7 days are subject to interest rate risk. The Company holds minor quantities of non-euro currencies for matching purposes. These are subject to foreign exchange risk.

As at 31 December 2020, the Company held ~€34.2m in both sovereign and corporate bonds with durations of between 1 and 5 years. As all bonds held by LPINS are denominated in Euro, they are not subject to currency risk.

The Company's Investment Risk Policy sets out the Company's processes for the management of market risk. Investment risk forms part of the Company's Finance function process-level risk and control self-assessment through which the risk is assessed, monitored and reported. During the reporting period interest rates on deposits continued to deteriorate and this had a negative impact on the investment return for the financial period.

As at 31 December 2020, the Company had a Market Risk charge under the SCR of €23.1m. The Company's Market Risk charge is based on the Company's investments in term deposits i.e., deposits with terms of 8 days or more and bond holdings. The Market Risk charge captures currency, spread and interest rate risk, along with the Company's concentration risk exposure to certain credit institutions. In accordance with IFRS16 it also includes a property charge in relation to the lease asset included on the balance sheet.

b) Risk Concentration

The aim of the Company's Asset Liability Management Policy is to select assets that are matched to the total liabilities (as far as that is possible) by currency, duration and by suitable type (predominately deposits). The Company is therefore exposed to concentration risk by product (deposit) and by currency (and therefore geographical area).

However, LeasePlan Treasury provides the Company with monthly financial market updates, including historic and anticipated future environment information. LeasePlan Treasury controls Group Counterparty and Concentration limits and allocation of limits to all entities, and receives reporting against the limits, prepared by the Finance Function of the Company.

Due to the Company's conservative investment policy i.e., restricted primarily to deposits, risk concentrations exist in that the bulk of the Company's asset holdings are with a small number (<10) of highly rated external financial institutions and LeasePlan Corporation. The Company monitors these risk concentrations on an ongoing basis. This is reflected in the Company's Market and Counterparty Risk SCR charges (dependent on the duration of the bank deposit). No other material risk concentrations exist within market risk as the company has exposure to many currencies and rebalances its exposures monthly.

c) Risk Mitigation

The Company's Risk Management System and related policies set out the techniques used by the Company to manage and mitigate the risk to which it is exposed. The Company uses its program of

risk assessments, risk appetite monitoring and risk governance via management risk committees and the Board Risk Committee to monitor the continued effectiveness of these risk mitigation techniques.

Market Risk is the risk of loss resulting directly or indirectly from fluctuations in the level of the market price of assets, liabilities and financial instruments. The risk mitigation techniques used by the Company to mitigate Market Risk are set out in the Company's Investment Risk Policy. These include the following:

- Adopting a conservative approach to investments;
- Holding investments of sufficient amount, duration and liquidity to ensure all liabilities are met as they fall due; and
- Ensuring that there are appropriate policies, strategies and procedures in place to meet these objectives.

The Company's assets have been invested in accordance with the 'prudent person principle', in that the Company has placed the funds that support the claims reserves with external institutions with an S&P rating of investment grade or higher. In addition, the Company applies the prudent person principle in deciding the appropriate level of deposits and bonds to place with LeasePlan Group.

The continued effectiveness of the Company's risk mitigation techniques for Market Risk is monitored by the Company's Investment Management Meeting and, as required, by the Company's Investment Committee in accordance with the Company's Investment Risk Policy, and Investment Management Meeting and Investment Committee Terms of Reference. In addition, the Company's investment risk metrics are used by the Non-Insurance Risk Committee and the Board Risk Committee to monitor the ongoing effectiveness of these risk mitigation techniques.

d) Risk Sensitivity

A number of sensitivity tests are used to assist the Company with understanding its exposure to the volatility of the Company's more material risks. These sensitivity tests on the Company's key risk exposures help identify and quantify risks and help inform the Company's decision-making process.

The following are the sensitivity analyses that are carried out that impact Market Risk:

- As at 31 December 2020, sensitivity analyses show that an increase in interest rates using EIOPA shock up yield curves would result in a decrease in the SCR of €253k, and a decrease in interest rates using EIOPA shock down yield curves would result in an increase in the SCR of €1.4k.

The above stress test would have the following impact on the Company's Solvency metrics:

Scenario	Own Funds (€000s)	Solvency Capital Requirement (SCR) (€000s)	Solvency Coverage Ratio
Base scenario	**244,291**	**104,960**	**233%**
Interest rates shock up	249,829	104,707	239%
Interest rates shock down	244,259	104,961	233%

3. Credit Risk

a) Risk Exposure

Credit risk is the risk that the Company is exposed to lower returns or loss if another party fails to perform its financial obligations to the Company. The Company is subject to credit risk but the majority of this is in relation to LeasePlan group entities as policyholders, mediators or claim handlers. The Company is exposed to credit risk in the following key areas:

- Amounts due from institutions in respect of deposits placed;
- Reinsurers' share of insurance liabilities;
- Amounts due from reinsurers in respect of claims already paid;
- Amounts due from policyholders;
- Funds held by claim handlers;
- Cash at bank; and
- The Company's bond portfolio.

The Company's main non-LeasePlan credit risk is in relation to reinsurers, the banks in which it places deposits and its portfolio of sovereign and corporate bonds. As all sovereign bonds held are issued by EEA countries, they are not subject to a credit risk charge. The Company's non-LeasePlan deposits and corporate bonds are with counterparties with a Standard & Poor (S&P) investment grade or higher rating. There were no material changes to the Company's credit risk exposure during the reporting period.

As at 31 December 2020, the Company had a Counterparty Default risk charge under the SCR of €15.4m. The Company's Counterparty Default risk charge relates to the risk that counterparties do not meet their obligations as they fall due. This includes exposure to banks, reinsurers, policyholders, claim handlers and intermediaries. It excludes any exposures to counterparties already considered under market risk i.e. bond holdings and longer-term bank exposures.

b) Risk Concentration

There is potential for concentration of risk through the Company's exposure to banks in which it places its deposits and, to a lesser extent, to reinsurers. In relation to its exposure to banks, the Company has counterparty risk limits in place which restrict exposure with any one bank. In order to avoid concentration risk with reinsurers, the Company has limits in place which restrict the maximum share held by reinsurer and by credit rating. On a quarterly basis, a report is prepared and distributed to the Board of Directors and the Risk Committee outlining the current credit rating of reinsurers, along with other monitored factors such as share of reinsurance exposure, outlook and ownership structure.

Due to the Company's conservative investment policy, i.e. restricted primarily to deposits, risk concentrations exist in that the bulk of the Company's asset holdings are with a small number (<10) of highly rated external financial institutions and LeasePlan Corporation. The Company monitors these risk concentrations on an ongoing basis. This is reflected in the Company's Market and Counterparty Risk SCR charges (dependent on the duration of the bank deposit). No other material risk concentrations exist within market risk as the company has exposure to many currencies and rebalances its exposures monthly.

c) Risk Mitigation

The risk mitigation techniques used by the Company to mitigate credit risk are set out mainly in the Company's Reinsurance and Investment Risk policies. The Company manages its credit risk exposure by monitoring and managing the levels of exposure to each counterparty and by monitoring the S&P rating of all assets to ensure the Company's investments are in secure assets of a high quality.

The continued effectiveness of the Company's risk mitigation techniques for credit risk is monitored by the Company's risk committees. In addition, the Company's credit risk appetite is used by the Non-Insurance Risk Committee and the Board Risk Committee to monitor the ongoing effectiveness of the above risk mitigation techniques.

d) Risk Sensitivity

A number of sensitivity tests are used to assist the Company with understanding its exposure to the volatility of the Company's more material risks. These sensitivity tests on the Company's key risk exposures help identify and quantify risks and help inform the Company's decision-making process.

The following are the sensitivity analyses carried out that impact Credit Risk:

- As at 31 December 2020, sensitivity analyses show that a downgrade of 1 credit quality step (as stipulated in Solvency II calibration) of the bank with whom the Company holds the majority of cash balances would result in an increase in the SCR of €2.1m.

The above stress test would have the following impact on the Company's Solvency metrics:

Scenario	Own Funds (€000s)	Solvency Capital Requirement (SCR) (€000s)	Solvency Coverage Ratio
Base scenario	**244,291**	**104,960**	**233%**
Downgrade of 1 credit quality step of largest bank	244,306	107,094	228%

In addition, credit risk related stresses are included in a number of the Company's ORSA scenarios. This process helps the Company stress its credit risk exposure over the business planning period including in combination with other stressed risk exposures.

4. Liquidity Risk

a) Risk Exposure

As the Company's investments are predominately held in short-term bank deposits it is subject to limited liquidity risk. The Company's Liquidity Risk Policy and Asset Liability Management Policy set out the Company's processes for the management of liquidity risk. Liquidity risk forms part of the Company's Finance function's process-level risk and control self-assessment through which, together with the related risk appetite statement, the risk is assessed, monitored and reported. There were no material changes to the Company's liquidity risk exposure during the reporting period.

The Company has invested a portion of its total investments in bonds purchased with remaining durations of up to 5 years. While these bonds are somewhat less liquid, they represent a small portion of total investments.

b) Risk Concentration

Risk concentrations in relation to liquidity risk can arise in a number of ways:

- **Risk concentration in product type:** Whilst the Company has in recent years increased its investment in its portfolio of corporate and sovereign bonds, the Company's investments remain primarily in term deposits. Therefore, the Company does have a concentration in terms of product type. This concentration does not impact the Company's ability to generate cash in times of stress, as the asset classes employed are quite liquid.

- **Risk concentration in maturity:** The Company short matches assets to cover some longer tail technical reserve payments, so there exists a certain level of concentration in shorter maturity assets. However, this is a prudent policy with respect to liquidity position and is aligned to LeasePlan Corporation group policy. In addition, the Company has minimum acceptable credit ratings (investment grade or higher) and concentration risk limits in place which set the maximum allowable exposure by credit institution.

- **Risk concentration in provider:** This can arise as a result of dependency on a few providers of liquidity stemming from concentrated counterparty default risk. The Company has counterparty risk limits in place which restrict the concentration risk with any one counterparty.

The Director of Finance, in conjunction with the Investment Management Meeting and, as required, the Investment Committee, ensures the following:

- That the concentration limits to asset classes and individual counterparties are subject to review on a monthly basis and any increases are proposed to the Board for approval;
- That active monitoring and management of concentration risk is undertaken, including an analysis of possible contagion; and
- That asset concentration trends are analysed to identify adverse impacts on the Company and that appropriate remedial action is taken.

The monitoring of liquidity concentration risk limits is outlined in further detail in the following section on Risk Mitigation.

c) Risk Mitigation

The Company's Risk Management System and related policies set out the techniques used by the Company to manage and mitigate the risks to which it is exposed. The Company uses its programme of risk assessments, risk appetite monitoring and risk governance via management risk committees and the Board Risk Committee to monitor the continued effectiveness of these risk mitigation techniques.

Liquidity risk is the risk that the Company is unable to realise investments and other assets in order to settle its financial obligations when they fall due. The purpose of liquidity risk management, as part of an overall investment risk strategy, is to ensure there are appropriate practices to provide sufficient liquidity over the short, medium and long term.

The risk mitigation techniques used by the Company to mitigate Liquidity Risk are set out in the Company's Liquidity Risk Policy. These include the following:

- Performing daily and monthly cash flow forecasts to monitor liquidity positions. This includes determining the level of mismatch between the cash inflows and the cash outflows of both assets and liabilities, expected cash flows of insurance and reinsurance to determine the total liquidity needs in the short term including an appropriate buffer for any potential liquidity shortfall;

- Performing daily monitoring of bank accounts against the monthly cash flow forecast. The Company prepares for any unusual cash flow movements by holding at least 5% of its financial assets on call (overnight) or short-term fixed deposits (<= 90 days) in the various different currencies; and

- The Company short matches assets to cover some longer tail technical reserve payment requirements.

At 31.12.2020, LPINS included an asset equal to €32.6m in Solvency II Own Funds that related to Expected Profits in Future Premiums ("EPIFP"). This has been calculated in accordance with Article 260(2). As this asset relates to profits embedded in 2021 contracts, the emergence of these profits is expected to occur during 2021 (and possibly later years). Given the nature of this asset, it is not a liquid asset that can, for instance, be used to pay claims. This is not an issue for LPINS given the very liquid nature of the LPINS portfolio of "investible" assets where the bulk of these assets are held in highly liquid bank deposits.

The Company's assets generally comprise of deposits placed with highly rated banks and as such these assets are sufficiently liquid to ensure that the Company is able to meet its obligations as they fall due. Hence the Company does not rely on EPIFP to meet ongoing obligations to pay claims, i.e. liquidity is not jeopardised by holding EPIFP.

The continued effectiveness of the Company's risk mitigation techniques for Liquidity Risk is monitored by the Company's Investment Management Meeting and, as required, the Investment Committee, in accordance with the Company's Investment Risk Policy and Investment Management

Meeting and Investment Committee Terms of Reference. In addition, the Company's investment risk appetite is used by the Non-Insurance Risk Committee and the Board Risk Committee to monitor the ongoing effectiveness of these risk mitigation techniques.

d) Risk Sensitivity

As discussed above, the Company is exposed to minimal Liquidity Risk due to the nature of its investments. The Company also short matches assets to cover some longer tail technical reserve payments, which is a prudent policy with respect to liquidity position. Liquidity Risk forms part of the Company's Finance function's process-level risk and control self-assessment through which, together with the related risk metrics, the risk is assessed, monitored and reported. Liquidity Risk is not an influential driver of the Company's Solvency Coverage Ratio and as such, the Company does not carry out sensitivity analyses on this risk.

5. Operational Risk

a) Risk Exposure

The Company is exposed to operational risk arising from operations conducted in-house and from operations which it has outsourced. The Company's Operational Risk Policy sets out the Company's processes for the management of operational risk. The Company uses its risk appetite statements for operational risk and its programme of operational risk monitoring and business continuity management to assess and monitor the risk. The Company, through its entity level risk assessment and, in particular, through its various process-level risk and control self-assessments, assesses, monitors and reports upon operational risk. During the reporting period the Company developed additional key risk indicators for operational risk which are monitored by the Non-Insurance Risk Committee. There were no material changes to the Company's operational risk exposure during the reporting period.

As at 31 December 2020, the Company has an operational risk charge under the SCR of €7.5m. This relates to the risk associated with the people, processes and systems involved in the running of the Company.

b) Risk Concentration

The Company does not have a risk concentration relating to operational risk. The potential for concentration risk is continuously managed and monitored using the risk management techniques outlined in the section below.

c) Risk Mitigation

The Company's Risk Management System and related policies set out the techniques used by the Company to manage and mitigate the risks to which it is exposed. The Company uses its programme of risk assessments, risk appetite monitoring, key risk indicators and risk governance via risk committees and the Board Risk Committee to monitor the continued effectiveness of these risk mitigation techniques.

Operational Risk is the risk of a positive, negative or potential loss resulting from inadequate or failed internal processes, human behaviour and systems or from external incidents. The risk mitigation techniques used by the Company to mitigate Operational Risk are set out in the Company's Operational Risk Policy. These include risk identification, the conduct of entity level and process level risk assessments, the implementation of appropriate risk responses following assessment, risk monitoring, operational risk appetite statement setting and reporting. The Company operates an operational risk incident monitoring process and categorises incidents into the following categories:

- Internal Fraud;
- External Fraud;
- Employment Practices and Workplace Safety;
- Clients, Products & Business Practices;
- Damage to Physical Assets; and
- Execution, Delivery & Process Management.

In addition, the Company's Business Continuity Management and Information Security functions seek to mitigate operational risk in their respective areas.

The continued effectiveness of the Company's risk mitigation techniques for operational risk is monitored by the Company's Risk committees. In addition, the Company's operational risk appetite is used by the Non-Insurance Risk Committee and the Board Risk Committee to monitor the ongoing effectiveness of the above risk mitigation techniques.

d) Risk Sensitivity

Operational risk, while it requires ongoing vigilance, is not, by itself, a substantial risk for the Company. Accordingly, while no specific risk sensitivity is provided here for same, during the ORSA process, a qualitative assessment of material operational risks is carried out, as well as a quantitative assessment of the impact of a large operational loss on the Company. The impact of this operational loss scenario within the Company's ORSA process was to reduce the Own Funds as a result of a decrease in profit. This did not have a material impact on the Company's Solvency Coverage Ratio. This process helps the Company stress its operational risk exposure over the business planning period including in combination with other stressed risk exposures.

6. Any other material risks

As part of the regular ORSA process, the overall risk profile and the associated capital needs are assessed against the Company's actual solvency capital position. The most important risks to which the Company is exposed, including risks that are not incorporated into the standard formula, are identified through a combined top-down (strategic risk assessment) and bottom-up (control risk self-assessments) approach. The following risks, outside the scope of the standard formula, are recognised by the Company as requiring ongoing vigilance:

- Cyber Risk;
- Brexit;
- Reputational Risk;
- Strategic Risk;
- Group Risk; and
- Climate change

a) Cyber Risk

With the increased dependency on electronic data storage within the Company and the industry, there is increasing cyber security risk of data theft, and malicious data and service disruption. For this reason, the Company operates an Information Security Function within the second line of defence. The function monitors 14 information security domains. These domains cover the core elements of cybersecurity, including:

a) Application security;
b) Information and data security;
c) Network security;
d) Business continuity planning; and
e) Ongoing end user education.

Performance in relation to each information security domain, including the required periodic activities per domain, is monitored by management and the Audit and Compliance Committee.

b) Brexit

Due to its limited activity in the UK market, the Company had little direct exposure to Brexit. In relation to a small existing book of run-off UK business, the Company has availed of the UK Contractual Run-off process. During 2020 the Company considered that it was likely to have exposure to some indirect effects of Brexit, mainly in relation to market risk. The risks associated with Brexit, and the Company's plan to address same, were considered by the Company in its Non-Insurance Risk Committee, Board Risk Committee and in the Company's ORSA.

c) Reputational Risk

Reputational risk is the risk to the Company's earnings/capital due to an adverse perception of the image of the Company on the part of clients, counterparties, shareholders, investors and regulators.

Reputational risk is included in the Company's corporate risk register and is managed through the Risk Control Self-Assessment process where it is assessed in the Company's Enterprise Risk Assessment. The Company has a risk appetite statement for reputational risk which is monitored through the Risk Appetite monitoring process.

The Company also has specific controls in place to limit reputational risk exposure such as the Company's Code of Conduct and contractual agreements with outsourced service providers, both of which focus on ethical behaviour, honesty, trust and integrity.

d) Strategic Risk

Strategic risk is the risk to the Company's earnings/capital due to adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment.

Strategic risk is included in the Company's corporate risk register and is managed through a number of controls. The Company incorporated a strategic risk component into its 2020 ORSA stress testing process through the inclusion of a reverse stress test looking at the impact of premium growth. A number of additional strategic risks that have low residual risk (i.e. taking controls into account) are assessed in the Company's Enterprise Risk Assessment.

As described in Section A1(e) above, during 2020 the COVID-19 pandemic caused significant disruption in the global economy. In response to this pandemic, numerous governments imposed various levels of restrictions on movement and closed sections of their economies. The Company re-assessed its risk exposure in light of this development and responded accordingly.

e) Group Risk

The Company is heavily dependent on the wider LeasePlan group for many of its policyholders, mediators, claim handlers, investments and for its sales channel. Group risk is included in the Company's corporate risk register and managed through a number of controls. The Company incorporated a number of group-risk related scenarios into its 2020 ORSA stress testing process.

f) Climate change

Due to the nature of the risks insured by the Company, namely risks associated with moveable assets in the form of vehicles, the Company's direct exposure to risks associated with climate change is limited. However, the Company does underwrite Motor Catastrophe (e.g. flood and hail) insurance. Increased frequency and/or severity of claims under this cover is considered to be the Company's main climate change-related underwriting exposure. The Company maintains reinsurance in respect of this cover. In addition, as climate change considerations contribute to the increasing proportion of Electric Vehicles (EVs) within the Company's insured fleet, the Company has, where appropriate, adjusted its underwriting processes to address risks associated with such vehicles. Due to the nature of the Company's investments (predominately deposits), the Company has limited investment-related transition risk. Climate change risk is assessed in the Company's ORSA process.

D Valuation for Solvency Purposes

1. Assets

This section contains information regarding the valuation of the balance sheet items. For each material asset class, the bases, methods and main assumptions used for Solvency II purposes are outlined.

The following table analyses the Company's financial assets at 31 December 2020:

	Assets as at 31 December 2020	
	Solvency II Value €'000	Statutory Accounts Value €'000
Deferred acquisition costs	-	1,751
Property, plant & equipment held for own use	2,560	2,725
Bonds	34,910	34,432
Deposits other than cash equivalents	264,290	25,006
Reinsurance recoverables from:	22,833	24,741
Non-life excluding health	*17,086*	*19,358*
Health similar to non-life	*42*	-
Life excluding health and index-linked and unit-linked	*5,705*	*5,383*
Insurance and intermediaries' receivables	45,166	106,445
Reinsurance receivables	-	-
Receivables (trade, not insurance)	351	351
Cash and cash equivalents	210,669	449,765
Total assets	**580,779**	**645,216**

Valuation of most financial assets is based on amortised cost for statutory purposes. In the paragraphs below, the valuation methodologies are described:

Deferred acquisition costs

Deferred acquisition costs are the amount of an insurer's acquisition costs incurred as premium is written but earned and expensed over the term of the policy. The unearned portion is capitalized and recognized as an asset on the insurer's balance sheet. However, for Solvency II purposes deferred acquisition costs of €1.75m are excluded from the valuation of assets.

Property, plant & equipment held for own use

Property, plant & equipment are valued at net book value for statutory purposes, however, for Solvency II valuation purposes, computer software tailored to the needs of the undertaking, that cannot be sold to another user, shall be valued at nil (€165k of the property, plant & equipment relates to the capitalised value of the general ledger system and data management system). Property, plant and equipment includes €2.6m of right-of-use assets relating to leased assets. In 2020, the Company entered into two new car leases.

Bonds

The Company holds a mixture of corporate and sovereign bonds. The Bonds are valued based on market value under Solvency II and on an amortised cost basis under IFRS, with an IFRS 9 adjustment for Expected Credit Loss. These differing treatments account for the difference in valuation between Solvency II and Statutory accounts value.

Deposits other than cash equivalents

Deposits other than cash equivalents are valued at fair value by the relevant financial institution, and the Company receives monthly statements at the period end to confirm the balances held. The difference between the Solvency II valuation and IFRS valuation of deposits other than cash equivalents, is the IFRS 9 adjustment for Expected Credit Loss. In addition, the categorisation of deposits and cash and cash equivalents is different between IFRS and Solvency II. While accrued interest is excluded under IFRS, it is included under Solvency II.

Reinsurance asset

The Reinsurance asset relates to the amounts that can be collected from reinsurers. The value of the asset is estimated using a method that is in line with the reinsurance contract for IFRS purposes. This balance is adjusted for the IFRS 9 Expected Credit Loss and then adjusted for Solvency II purposes for the expected default of the reinsurer and discounting.

The Company has claims that have been settled via court awarded Periodic Payment Orders ("PPOs") that provide regular payments to the claimant until death. As such these obligations have been valued using life actuarial techniques and the related reinsurance recoveries have been re-classified as a Life Reinsurance Asset.

Insurance and intermediaries' receivables

Insurance and intermediaries' receivable balances represent premiums due from policyholders. The Company has existing contracts at the valuation date (31 December) with associated premiums which are not due to be paid until after the valuation date. The future premiums are treated as debtors for IFRS reporting. A creditor is set up for the associated future commission payments. However, for Solvency II purposes, the premiums and commission are a future cashflow associated with an existing contract and as such, they form part of the technical provisions. At 31 December 2020 the amount of future premium is approx. €59.8m. This is included as a reduction in technical provisions.

Cash and cash equivalents

Cash and cash equivalents are valued at fair value by the relevant financial institution, and the Company receives monthly statements at the period end to confirm the balances held. The difference between the Solvency II valuation and IFRS valuation of cash and other than cash equivalents is the IFRS 9 adjustment for Expected Credit Loss.

2. Technical Provisions

a) Technical Provisions Basis, Methods and Assumptions

The following section outlines the approach, general methodology and components of the Company's Technical Provisions. The two main components of the Technical Provisions are the best estimate provision and the risk margin. There are several distinct provisions that feed into the overall best estimate provision.

Provision for Claims Outstanding: The provision for claims outstanding covers cashflows related to all claim events which occur before or at the valuation date. The cashflows projected comprise of:

- Outstanding claims / Case reserves;
- Incurred but not reported claims;
- Incurred but not enough reported claims; and
- Premiums earned but yet to be received and commission earned but yet to be paid.

The Company makes use of the below standard techniques in order to arrive at an estimation of the ultimate level of claims:

Development Factor Method ("DFM")

- For this method, the Company assumes that for a particular accident period, the proportion of the ultimate claims, which has developed by each period, follows past trends.
- A set of assumed development factors is arrived at. The development factors are typically calculated as a weighted average of past accident periods. More recent accident periods generally receive a higher weighting.
- Projections are carried out on past claims data using the development factors that have been determined.
- The DFM is applied to both paid and incurred claims to produce both paid and incurred ultimate claims estimates.

Loss Ratio Method

- For this method, a projected loss ratio for a particular accident period is estimated by reference to an older, more developed period.
- By applying the projected loss ratio to a known earned premium, ultimate claims are estimated for the relevant accident period.

Burning Cost Method

- For this method, ultimate claims are arrived at by considering the ultimate cost of claims per unit of exposure.
- The ultimate burning cost for past periods is assessed in order to arrive at an estimate of ultimate claims for more recent accident periods.
- The past estimates used may or may not be adjusted for seasonal and / or inflationary effects.
- This method can be useful for more recent accident periods, avoiding an over reliance on underdeveloped notified claims data.

The company considers the appropriateness of the above methodologies separately by Solvency II line of business and by accident year. The selection of the most appropriate method is based on expert judgement which considers among other factors, the quantity, quality and reliability of the available data, and analyses all important characteristics of the business. Appropriate consideration was given to potential distortions in claims patterns during 2020 as the Covid-19 pandemic developed.

Claims Handling: The Company holds a provision for future claims handling expenses associated with the future processing of claims for accident periods up to the valuation date. The actuarial department assesses an appropriate provision to cover the cost of settling current and future claims arising from insurance business written to the end of the relevant accounting period. It should be noted that for a proportion of the Company's risks, claims are managed by other parties and charged on a "per event" or equivalent basis.

Premium Provision: To calculate the premium provision a forward- looking combined ratio estimate is applied to the Company's unexpired premium. The ratio applied includes estimates of claims handling costs and administration expenses. The claims ratio is based in realistic expectations of future claims and considering future expected premium rates. The premium provision is net of premiums which are yet to be received for unexpired risk. Premium provision calculations are completed by the actuarial department in conjunction with the finance department. The estimation covers all programs and all claim types.

Events Not In Data ("ENIDs"): The approaches used by the Company to arrive at a best estimate of ultimate claims allow for the historic level of uncertainty in the past claims data. In order to allow for the uncertainty regarding events that the Company believes are not yet present in past data, the Company makes an explicit allowance for ENIDs. These are events which could occur but are not yet apparent in the Company's historic claims data. Examples include provisions to allow for increased coverage of Electric Vehicles, and provisions to guard against catastrophic events resulting from climate changes.

Reinsurance: The Company has (non-proportional) reinsurance in place to protect against large individual motor third party liability (TPL) claims. The Company also has reinsurance in place to protect against accumulations of risk related to motor property damage claims, e.g. from catastrophes including weather events.

To calculate the net technical provisions, the Company's reinsurers' share of claims is subtracted from claims provisions.

The Company's reinsurance cover is placed with a variety of third party reinsurers with strong credit ratings. The Company currently has no balances in dispute with respect to third party reinsurance recoveries.

Discounting: As per Solvency II requirements, the Company discounts the run-off of the premium provision and the provision for claims outstanding in order to arrive at the Solvency II technical provisions. The pattern for the run-off of the premium provision and the provision for claims outstanding is arrived at using historic payment development trends. The discounting of the cashflows associated with the premium provision and provision for claims outstanding is performed using discount rates that are no higher than the latest risk-free interest rates that are published by the European Insurance and Occupational Pensions Authority ("EIOPA").

Risk Margin: The approach taken by LPINS for the Risk Margin calculation is Simplification 2 - essentially the most detailed approach that can be used by a "Standard Formula" insurer. In this, the Non-Life and Health Underwriting risk charges are explicitly recalculated based on the projected run-off of the Technical Provisions ("TPs"). The Life Underwriting risk is run-off in relation to the expected run-off of the underlying claims. All the risk charges for all risk at future points in time are estimated based on the run-off of the total technical provisions. The Company uses EIOPA's prescribed cost of capital of 6% and applies this to the future SCR estimates. Discounting is performed for each future time period using EIOPA's prescribed yields. These calculations then arrive at the Company's risk margin.

This approach was chosen in light of the need for separate cashflow modelling, given the co-existence of both short-term and long-term liabilities.

Summary of Technical Provisions Results: The Company's overall gross and net technical provisions are illustrated in the exhibit below:

GROSS	**LPINS Technical Provisions at 31 Dec 2020 (€'000)**			
Line of Business	**Provision for Claims Outstanding**	**Premium Provision**	**Risk Margin**	**Total**
Income protection insurance	8,768	(3,841)	583	5,510
Motor vehicle liability	220,686	(8,852)	14,655	226,489
Other motor	31,554	(4,243)	2,095	29,406
Fire & other damage to property insurance	289	(183)	19	125
Legal expenses	874	(511)	58	421
Assistance	735	(604)	49	180
Miscellaneous financial loss	5,646	(7,079)	375	(1,058)
Annuities from non-life contracts	10,398	0	2,482	12,880
Proportional non-life reinsurance - other motor insurance	5,349	0	355	5,704
Total	**284,299**	**(25,313)**	**20,671**	**279,657**

NET	LPINS Technical Provisions at 31 Dec 2020 (€'000)			
Line of Business	Provision for Claims Outstanding	Premium Provision	Risk Margin	Total
Income Protection Insurance	8,768	(3,883)	583	5,468
Motor vehicle liability	200,213	(7,136)	14,655	207,732
Other motor	31,761	(3,170)	2,095	30,686
Fire & other damage to property insurance	289	(183)	19	125
Legal expenses	874	(511)	58	421
Assistance	735	(137)	49	647
Miscellaneous financial loss	5,646	(7,079)	375	(1,058)
Annuities from non-life contracts	4,693	0	2,482	7,175
Proportional non-life reinsurance - other motor insurance	5,273	0	355	5,628
Total	**258,252**	**(22,099)**	**20,671**	**256,824**

The below table compares the gross and net technical provisions as at 31 December 2020 to the position as at 31 December 2019:

	LPINS Technical Provisions (€'000)		
	As at 31 Dec 2020	As at 31 Dec 2019	Difference
Gross Technical Provisions	279,657	258,771	20,886
Net Technical Provisions	256,824	241,901	14,923

There is an increase of c. €20.9 m in the gross and c. €14.9m in the net technical provisions between 31 December 2019 and 31 December 2020. This growth is reflective of a growing book with the company seeing increases in its technical provisions year on year. It is expected that, in normal circumstances, the increase in technical provisions would have been higher as the company experienced reduced claims frequencies in 2020 owing to COVID-19 related lockdowns. The impact of this has been somewhat masked by specific large claim experience and the loss of the Australian and New Zealand business reducing the level of future positive cashflows considered in the technical provisions.

b) Level of Uncertainty associated with the amount of Technical Provisions

The Company's best estimate calculations seek to represent close to the 50th percentile of estimates for the Company's claims liabilities. The best estimate arrived at is the probability weighted estimate of future claims and expenses. As the best estimate is itself an estimate, there is a level of uncertainty associated with this amount.

In terms of quantifiable elements of uncertainty, the main elements include discount rates, loss ratio assumptions for exposure beyond the valuation date and lapse rates.

The table below shows the results of the stress tests carried out on the technical provisions:

Scenario	Net Non-Life TPs excluding Risk Margin (€'000)	Relative Change from Base Scenario
Base scenario	231,459	
EIOPA Shock Up Interest Rates	222,542	-3.90%
EIOPA Shock Down Interest Rates	231,641	0.10%
Increase in FX rates of 10%	234,290	1.20%
Increase in loss ratios of 2.5%	235,776	1.90%
Increase in loss ratios of 10%	248,371	7.30%
Increase of Lapse Rates absolute by 1%	231,849	0.20%
Increase of Lapse Rates absolute by 5%	233,642	0.90%

- **Interest Rate Risk**

  Applying the EIOPA shock up yield curve reduces the technical provisions by 3.9% and applying the EIOPA shock down yield curves increases the technical provisions by 0.1%. Being a non-life insurer with relatively short-term liabilities and a short asset-side duration, the Company has a low exposure to reductions in interest rates.

- **Currency FX Rate Sensitivity**

  A strengthening of foreign currency rates against the euro resulted in an increase in the technical provisions of 1.3%. As it is the Company's Investment Policy to broadly match assets with liabilities in terms of currency, the Company does not have material exposures to changes in currency rates.

- **Loss Ratio Sensitivity**

  An increase in the loss ratio assumptions of 2.5% results in a 1.9% increase in the technical provisions. If the loss ratios of individual programs are increased by 10%, this results in an 7.3% increase in technical provisions.

- **Lapse Rate Sensitivity**

  Two lapse rate scenarios were considered. An increase in the lapse rate assumption of 1% results in a 0.2% increase in the technical provisions, while an increase of 5% would increase technical provisions by 0.9%.

Additional sources from which uncertainty could potentially arise are as follows:

Events Not In Data ("ENIDs"): The approaches used by the Company to arrive at a best estimate of ultimate claims allow for the historic level of uncertainty in the past claims data. In order to allow for

the uncertainty regarding events that the Company knows are not yet present in past data, the Company has a specific provision for ENIDs.

Premium Provision: The premium provision is subject to additional uncertainty over and above that contained within the claims provision in that it contains cost estimates for events that have not yet occurred. Particularly at year end, it must also contain an allowance for business bound in the main renewal season for the following year that is not yet recorded on the system, as well as premium contracted and on the system but not yet received. These involve additional assumptions which increase the level of uncertainty, though this is mitigated to a certain extent by reasonableness checks.

c) Solvency II Best Estimate VS Financial Statement Reserves

The Company's Solvency II best estimate uses as a starting point the undiscounted, best estimate provisions that are included in the financial statements. Thereafter, a number of adjustments are applied to comply with Solvency II requirements (e.g. discounting is applied together with an ENID provision being held).

For financial statements, the Company holds an explicit risk margin for prudence / uncertainty consistent with industry practice and to satisfy the IFRS requirement of prudent reporting.

The Company's movement from IFRS reserves to Solvency II technical provisions is set out in the table below:

Total Technical Provisions - IFRS to Solvency II Movements (€'000)			
	Gross	**Ceded**	**Net**
IFRS Reserves	305,508	24,745	280,763
Total Solvency II Technical Provisions	279,657	22,833	256,824

d) Application of the Matching Adjustment

This guideline is not applicable to the Company as the Company does not use the matching adjustment.

e) Application of the Volatility Adjustment

This guideline is not applicable to the Company as the Company does not use the volatility adjustment.

f) Application of the Transitional Risk-Free Interest Rate-Term Structure

This guideline is not applicable to the Company as the Company does not use the transitional risk-free interest rate-term structure.

g) Application of the Transitional Deduction

This guideline is not applicable to the Company as the Company does not use the transitional deduction.

h) Recoverables from Reinsurance Contracts

The Company has reinsurance in place to protect against both large individual third party liability claims and also accumulations of risk with regard to property damage.

The Company's reinsurance arrangements are taken into account in order to calculate net technical provisions for Solvency II. The Company complies with Solvency II regulation by adjusting claims recoveries due from reinsurers for expected reinsurer default together with discounting expected future reinsurance recoveries using an expected payment pattern relevant to such cashflows.

The exhibit below displays the Company's gross and net technical provisions, along with the Company's reinsurers' share of technical provisions:

	LPINS Technical Provisions (€'000)		
	Gross	RI	Net
Total	279,657	22,833	256,824

3. Other Liabilities

This section contains information regarding the valuation of the balance sheet items. For each material liability class, the bases, methods and main assumptions used for Solvency II purposes are outlined.

The following table analyses the Company's financial liabilities at 31 December 2020:

	Other liabilities as at 31 December 2020	
	Solvency II Value €'000	Statutory Accounts Value €'000
Technical Provisions - non-life	261,267	324,698
Technical provisions - health (similar to non-life)	5,510	9,082
Technical Provisions - life (excluding unit linked and index linked)	12,880	12,872
Total Technical Provisions	**279,657**	**346,652**
Insurance and intermediate payables	50,005	57,370
Reinsurance payables	1,633	1,633
Payables (trade, not insurance)	5,193	5,193
Total liabilities	**336,488**	**410,848**
Excess of assets over liabilities	**244,291**	**234,368**

Valuation of most financial liabilities are based on fair value for statutory purposes. In the paragraphs below, the valuation methodologies are described.

Insurance & intermediate payables

The main differences between Solvency II and IFRS for insurance & intermediate payables are the reclassification of the non-technical (aggregate deductible) liabilities to the technical provisions where the aggregate deductible settlement period had been reached, and an amount of future commission of approx. €5.1m that is included as an increase in technical provisions.

Reinsurance payables

This balance reflects amounts owed to reinsurers, in respect of reinsurance agreements in place. There are no differences between Solvency II valuation and IFRS valuation of reinsurance payables.

Payables (trade, not insurance)

The difference between Solvency II and IFRS for payables is due to the increase in the tax liability which results from the increase in the financial result included in the company's own funds (excess of assets over liabilities) under Solvency II.

Please note the following

- the Company does not currently have a Deferred Tax Asset, so any movements on the revenue of the Company will have an impact on the tax creditor.
- The Company operates a defined contribution pension scheme. The pension charge represents contributions payable by the Company to the scheme. As at 31 December 2020, there are no outstanding contributions.
- The Company recognises operating leases with regards to office space and motor vehicles. There were two new operating leases entered into during 2020.

The main driver in the increase in Solvency II Own Funds, is the result generated by the Written but not yet Incepted (WBNYI) business.

4. Alternative Methods for Valuation

This section is not applicable to the Company as the Company does not use any alternative methods for valuation.

5. Any other information

The Company has no other disclosures to make in respect of the Company's Valuation for Solvency Purposes.

E Capital Management

1. Own Funds

a) Objectives / Policies / Processes for Managing Own Funds

The strategic objectives of capital management within the Company are:

- **Regulatory compliance:** To ensure compliance with the Company's regulatory capital requirements and in the case of adverse SCR levels, to set out the approach to recoverability including the consideration of capital relief measures and / or additional capital;
- **Liquidity:** To maintain sufficient liquidity to ensure the Company is able to meet its obligations in a timely manner and at a reasonable cost in accordance with the Company's Liquidity Risk Policy;
- **Efficient capital allocation:** To manage and allocate capital efficiently to achieve sustainable returns and facilitate growth objectives;
- **Financial strength:** To ensure access to capital markets on competitive terms, so that the company's overall cost of capital is minimised; and
- **Continuity of business:** All of the above objectives are consistent with the continuation of profitable business in line with Company Strategy.

Taken together, these strategic goals seek to strengthen the Company's ability to withstand losses from adverse business and market conditions, enhance its financial flexibility and serve the interests of the Company's stakeholders.

The Company strives to ensure that it maintains capital levels which are consistent with the Company's Risk Appetite Framework and the Company's Strategy, at both a point in time and on a forward-looking basis.

The Company's capital planning process aims to be dynamic and forward-looking in relation to the Company's risk profile and takes into account the output from the Risk Management System and the Own Risk and Solvency Assessment ("ORSA") as part of capital planning activities.

Capital planning activities shall involve taking into account current and anticipated changes in the Company's risk profile, such as those reflected in its business plan, and forecasting the related impact on capital. In addition, as part of its capital planning, the Company shall integrate projected capital needs with its business planning and financial forecasting processes.

As part of the ORSA process, Solvency II balance sheet projections are prepared with solvency requirements based on the strategy and business plan of the Company projected over a 5-year time horizon.

Responsibility for the on-going monitoring of the Company's Capital Management Policy has been assigned to the Company's Director of Finance, who, with the support of the Risk Function, Actuarial Department and Compliance Function performs an annual review to ensure that the Capital

Management Policy and the Capital Management Plan continue to be relevant to current and planned operations of the Company.

The Company's Capital Management Policy and the Capital Management Plan are monitored by the Audit and Compliance Committee annually and presented to the Board for re-approval. The Company's SCR assurance process, which is designed to ensure that the Company complies with its capital requirements on an ongoing basis, forms part of the company's Capital Management Policy.

b) Own Funds by Tier

Under Solvency II Own Funds are classified into tiers and there are eligibility requirements / limits applicable to the tiers to cover the SCR and MCR.

At present, the Company has only Tier 1 capital, i.e. the highest quality of capital available.

The Company's Director of Finance is responsible for ensuring that the Own Funds items meet the Solvency II eligibility requirements and are classified correctly. The Director of Finance is also responsible for ensuring that the terms and conditions of any Own Fund item are clear and unambiguous in relation to the criteria of Solvency II.

Issuance of Own Fund items shall be in accordance with the Company's Capital Management Plan. As part of the business planning and ORSA processes, dividend payments and capital requirements shall be considered in conjunction with the Capital Management Plan.

The exhibit below outlines the Company's available Own Funds (by tier).

LPINS Own Funds (€'000)			
Available Own Funds		**2020**	**2019**
Share Premium, Issued Share Capital, Retained Earnings	Tier 1	233,486	176,198
	Tier 2	0	0
	Tier 3	0	0
Other own fund items approved by the supervisory authority as basic own funds not specified above	Tier 1	10,805	10,805
	Tier 2	0	0
	Tier 3	0	0
Total		**244,291**	**187,003**

c) Own Funds Eligible to Cover SCR

The exhibit below outlines the Company's Own Funds (by tier) which are available to cover the SCR:

LPINS Own Funds (€'000)			
Own Funds Eligible for SCR		**2020**	**2019**
Share Premium, Issued Share Capital, Retained Earnings	Tier 1	233,486	176,198
	Tier 2	0	0
	Tier 3	0	0
Other own fund items approved by the supervisory authority as basic own funds not specified above	Tier 1	10,805	10,805
	Tier 2	0	0
	Tier 3	0	0
Total		**244,291**	**187,003**

There has been no change in the quality of Own Funds available to cover the SCR, i.e. the company only has Tier 1 capital. There has been an increase of €57.3m in the amount of the Own Funds. It is important to note that LPINS' capital position has improved considerably during 2020 both due to lower claims incurred as a result of COVID-19 related lockdowns and to no additional dividend above that provisioned for during 2019. The Company paid a dividend of €10m to the parent LeasePlan Corporation NV in February 2020 which was accrued in the 2019 statutory accounts and regulatory returns.

d) Own Funds Eligible to Cover MCR

The exhibit below outlines the Company's Own Funds (by tier) which are available to cover the MCR:

LPINS Own Funds (€'000)			
Own Funds Eligible for MCR		**2020**	**2019**
Share Premium, Issued Share Capital, Retained Earnings	Tier 1	233,486	176,198
	Tier 2	0	0
	Tier 3	0	0
Other own fund items approved by the supervisory authority as basic own funds not specified above	Tier 1	10,805	10,805
	Tier 2	0	0
	Tier 3	0	0
Total		**244,291**	**187,003**

The own funds available to cover the MCR are the same as those available to cover the SCR. Therefore, the reasons for the differences in amount, quality and structure of own funds between 31 December 2019 and 31 December 2020, are as per section c) above.

e) Differences between Equity in Financial Statements and Basic Own Funds

The Company's financial statements include a margin for prudence when calculating claims reserves. This margin is not included by the Company when calculating claims reserves for the purpose of the Solvency II Balance Sheet.

The table below outlines the Company's reconciliation reserve information:

LPINS Reconciliation Reserve (€'000)		
	2020	**2019**
Excess of assets over liabilities (A)	244,291	187,003
Other basic own fund items (B)	11,484	11,484
Total (A – B)	**232,807**	**175,519**

The reconciliation reserve has increased by €57.3m during 2020. The main drivers for the increase are the financial results for 2020 and the fact that no further dividends were declared in 2020.

The reconciliation reserve is essentially a formula driven number derived from the Solvency II balance sheet and any potential volatility in this reserve will be driven primarily by changes in the valuation of assets and the valuation of technical provisions and other liabilities (as discussed in Section D).

f) Own Funds Items subject to Transitional Arrangements

This guideline is not applicable to the Company as the Company does not have any Own Fund items that are subject to transitional arrangements.

g) Ancillary Own Funds

This guideline is not applicable to the Company as the Company does not have any ancillary Own Funds.

h) Restrictions on Own Funds

As required by the rules of the Portuguese Green Card Bureau, the Company has a charge in place over a designated bank account for the purposes of providing a guarantee required by that body. The Company maintains circa €600k in this designated bank account. In the event of strained capital circumstances, the Company cannot immediately draw upon this €600k and as such it represents a restriction to the Company's Own Funds.

2. Solvency Capital Requirement and Minimum Capital Requirement

a) Amount of SCR and MCR

The amounts of the Company's SCR and MCR are outlined below:

€'000	LPINS Capital Requirements
SCR	104,960
MCR	40,664

b) Amount of SCR by Risk Modules

The breakdown of the Company's SCR calculation by risk module is included in the table below Please note that diversification benefit explains the summation of the individual components exceeding the overall requirement.

€'000	LPINS Capital Requirements
Market risk	23,075
Counterparty default risk	15,358
Non-life underwriting risk	88,558
Health Underwriting Risk	29,457
Operational risk	7,552
Life underwriting risk	883
LACDT	(14,994)
SCR	**104,960**

c) Simplified Calculations and / or Company Specific Parameters

This guideline is not applicable to the Company as the Company does not use any simplified calculations or company specific parameters.

d) Undertaking Specific Parameters and / or Capital Add-Ons

This guideline is not applicable to the Company as the Company does not use USPs or have any capital add-ons.

e) Amount of Capital Add-Ons

This guideline is not applicable to the Company as the Company does not have any capital add-ons.

f) Inputs for MCR

The Company's MCR is calculated by using a straight line formula which incorporates net TPs and net premiums written for the last 12 months.

The prescribed MCR calculation applies both an upper and lower bound. The upper bound is equal to 45% of the corresponding SCR, while the lower bound is set at 25% of the SCR.

g) Loss-Absorbing Capacity of Deferred Taxes (LACDT)

The SCR is reduced to allow for the benefit arising from the loss absorbing capacity of deferred taxes [LACDT] in the event of the company incurring a loss equal in value to the bSCR (Basic SCR excluding any tax relief). Were this to occur, this would crystallise a tax loss which could be carried forward to offset future taxable profits. The monetisation of these future tax offsets is what underlies the reduction in SCR permitted by LACDT.

At year-end 2020, the LACDT benefit is used to reduce the overall SCR by €14,994m (from €119,954m to €104,960m).

The future taxable profits are based on business projections (including future profits) within the time horizon of the company's business plan (and no longer than 5 years into the future). Given that the period for recouping tax losses is relatively short, past losses carried forward are assumed to be utilised in full to offset future taxable profits. Assumptions used are believed to be realistic and achievable in nature and, in many cases, will be calibrated off past observations.

3. Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

This section is not applicable to the Company as the Company does not use the duration-based equity risk sub-module when calculating its SCR.

4. Differences between the standard formula and any internal model Information

This section is not applicable to the Company as the Company does not use an internal model when calculating its SCR.

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

The Company complied with the Minimum Capital Requirement and the Solvency Capital Requirement during 2020.

The Company has a Capital Management Policy and a Capital Management Plan in place which set out the Company's approach to the setting and monitoring of capital resources, not just at a particular point in time, but over the business planning period. One of the strategic objectives of capital management within the Company is to ensure compliance with the regulatory capital requirements and in the case of adverse SCR levels, the approach to recoverability including the consideration of capital relief measures and/additional capital.

The Company's capital position is monitored on an ongoing basis in accordance with the Risk Appetite Framework. Specifically outside of the annual requirement to calculate a SCR , LPINS calculates approximate SCRs on a quarterly basis and these are reported to the CBI as part of the quarterly QRTs. In order to ensure appropriate levels of capital at all times, the Company has defined ranges around its capital risk appetites with thresholds and limits that shall trigger actions.

The Board is responsible for approving and adopting this Capital Management Policy and ensuring sufficient oversight of Capital Management on an on-going basis.

6. Any other information

The Company has no other disclosures to make in respect of the Company's Capital Management.

Appendix I: Glossary

Term	Definition
AOTP	Actuarial Opinion on Technical Provisions
ARTP	Actuarial Report on Technical Provisions
CBI	Central Bank of Ireland
DFM	Development Factor Method
EEA	European Economic Area
EIOPA	European Insurance and Occupational Pensions Authority
ENID	Events Not In Data
EPIFP	Expected Profits in Future Premium
FOS	Freedom of Service
ICT	Information and Communications Technology
IFRS	International Financial Reporting Standards
MCR	Minimum Capital Requirement
MTPL	Motor Third Party Liability
OECD	Organisation for Economic Cooperation and Development
ONR	Online Reporting System
ORSA	Own Risk and Solvency Assessment
PCF	Pre-Approved Control Functions
PPOs	Periodical Payment Orders
QRT	Quantitative Reporting Template
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
S&P	Standard & Poor's
TPL	Third Party Liability
UPR	Unearned Premium Reserve
USPs	Undertaking Specific Parameters
VYE	Vehicle Year Exposure
WBNYI	Written but not yet incepted

Appendix II: Quantitative Reporting Templates ("QRTs")

The table below lists the annual disclosure quantitative templates submitted to the CBI in respect of 31 December 2020:

Code	Template Name
S.02.01.02	Balance Sheet
S.05.01.02	Premiums, claims and expenses by line of business
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	Non-Life Insurance claims information
S.23.01.01	Own Funds
S.25.01.21	SCR - for undertakings on Standard Formula
S.28.01.01	MCR - for undertakings on Standard Formula

1. S.02.01.02

Balance sheet

		Solvency II value
Assets		**C0010**
Goodwill	**R0010**	
Deferred acquisition costs	**R0020**	
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	2,558,491.91
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	299,200,873.03
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	34,910,489.81
Government Bonds	**R0140**	6,209,568.50
Corporate Bonds	**R0150**	28,700,921.31
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	264,290,383.22
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	
Reinsurance recoverables from:	**R0270**	22,833,066.75
Non-life and health similar to non-life	**R0280**	17,128,293.89
Non-life excluding health	**R0290**	17,086,198.48
Health similar to non-life	**R0300**	42,095.41
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	5,704,772.86
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	5,704,772.86
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	45,165,606.17
Reinsurance receivables	**R0370**	
Receivables (trade, not insurance)	**R0380**	351,327.98
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	210,669,316.70
Any other assets, not elsewhere shown	**R0420**	
Total assets	**R0500**	580,778,682.54

		Solvency II value
Liabilities		**C0010**
Technical provisions - non-life	**R0510**	266,776,851.83
Technical provisions - non-life (excluding health)	**R0520**	261,267,000.36
Technical provisions calculated as a whole	**R0530**	
Best Estimate	**R0540**	243,660,058.62
Risk margin	**R0550**	17,606,941.74
Technical provisions - health (similar to non-life)	**R0560**	5,509,851.47
Technical provisions calculated as a whole	**R0570**	
Best Estimate	**R0580**	4,927,555.01
Risk margin	**R0590**	582,296.46
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	12,879,773.16
Technical provisions - health (similar to life)	**R0610**	
Technical provisions calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions - life (excluding health and index-linked and unit-linked)	**R0650**	12,879,773.16
Technical provisions calculated as a whole	**R0660**	
Best Estimate	**R0670**	10,397,559.72
Risk margin	**R0680**	2,482,213.44
Technical provisions - index-linked and unit-linked	**R0690**	
Technical provisions calculated as a whole	**R0700**	
Best Estimate	**R0710**	
Risk margin	**R0720**	
Other technical provisions	**R0730**	
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	
Derivatives	**R0790**	
Debts owed to credit institutions	**R0800**	0.00
Financial liabilities other than debts owed to credit institutions	**R0810**	2,618,087.54
Insurance & intermediaries payables	**R0820**	50,004,740.53
Reinsurance payables	**R0830**	1,633,358.35
Payables (trade, not insurance)	**R0840**	2,574,988.45
Subordinated liabilities	**R0850**	
Subordinated liabilities not in Basic Own Funds	**R0860**	
Subordinated liabilities in Basic Own Funds	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	
Total liabilities	**R0900**	336,487,799.86
Excess of assets over liabilities	**R1000**	244,290,882.68

2. S.05.01.02

Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Total
		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	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0200
Premiums written														
Gross - Direct Business	R0110		12,236,341.46		107,896,633.94	99,550,648.32		390,659.89			1,443,657.49	5,125,387.38	13,352,449.42	239,995,777.90
Gross - Proportional reinsurance accepted	R0120				0.00	8,631,511.11						0.00		8,631,511.11
Gross - Non-proportional reinsurance accepted	R0130													
Reinsurers' share	R0140		0.00		3,308,799.64	2,134,433.17		0.00			0.00	937,111.52	0.00	6,380,344.33
Net	R0200		12,236,341.46		104,587,834.30	106,047,726.26		390,659.89			1,443,657.49	4,188,275.86	13,352,449.42	242,246,944.68
Premiums earned														
Gross - Direct Business	R0210		12,083,986.69		107,060,539.52	97,208,508.58		380,722.91			1,367,481.85	5,003,198.76	14,538,771.56	237,643,209.87
Gross - Proportional reinsurance accepted	R0220				0.00	14,075,929.43						0.00		14,075,929.43
Gross - Non-proportional reinsurance accepted	R0230													
Reinsurers' share	R0240		0.00		3,308,799.64	2,134,433.17		0.00			0.00	937,111.52	0.00	6,380,344.33
Net	R0300		12,083,986.69		103,751,739.88	109,150,004.84		380,722.91			1,367,481.85	4,066,087.24	14,538,771.56	245,338,794.97
Claims incurred														
Gross - Direct Business	R0310		1,094,453.60		55,226,675.44	60,959,456.83		85,612.01			240,735.77	2,012,911.41	2,925,293.07	122,545,138.12
Gross - Proportional reinsurance accepted	R0320				0.00	11,900,964.80						0.00		11,900,964.80
Gross - Non-proportional reinsurance accepted	R0330													
Reinsurers' share	R0340		-0.33		3,959,909.44	4,902,544.49		0.00			0.00	0.00	0.00	8,862,453.61
Net	R0400		1,094,453.93		51,266,766.00	67,957,877.13		85,612.01			240,735.77	2,012,911.41	2,925,293.07	125,583,649.31
Changes in other technical provisions														
Gross - Direct Business	R0410		587,298.41		-1,687,212.34	5,880,704.10		111,927.39			-155,577.48	473,412.57	1,345,972.76	6,556,525.42
Gross - Proportional reinsurance accepted	R0420				0.00	868,938.13						0.00		868,938.13
Gross - Non-proportional reinsurance accepted	R0430													
Reinsurers' share	R0440		1,017.11		2,148,636.50	142,852.02		0.00			0.00	0.00	0.00	2,292,505.62
Net	R0500		586,281.31		-3,835,848.84	6,606,790.22		111,927.39			-155,577.48	473,412.57	1,345,972.76	5,132,957.93
Expenses incurred	R0550		1,755,778.33		24,477,984.45	14,669,590.26		-16,613.43			146,916.19	554,710.32	729,010.94	42,317,377.06
Other expenses	R1200													
Total expenses	R1300													42,317,377.06

Premiums, claims and expenses by line of business

		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						0.00			0.00
Reinsurers' share	R1420						0.00			0.00
Net	R1500						0.00			0.00
Premiums earned										
Gross	R1510						0.00			0.00
Reinsurers' share	R1520						0.00			0.00
Net	R1600						0.00			0.00
Claims incurred										
Gross	R1610						-41,981.76			-41,981.76
Reinsurers' share	R1620						-41,981.76			-41,981.76
Net	R1700						0.00			0.00
Changes in other technical provisions										
Gross	R1710						56,513.34			56,513.34
Reinsurers' share	R1720						0.00			0.00
Net	R1800						56,513.34			56,513.34
Expenses incurred	R1900						0.00			0.00
Other expenses	R2500									
Total expenses	R2600									0.00

3. S.05.02.01

Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - non-life obligations				
	R0010			(PT) Portugal	(ES) Spain	(NL) Netherlands	(PL) Poland	(FR) France
		C0080	C0140	C0090	C0090	C0090	C0090	C0090
Premiums written								
Gross - Direct Business	R0110	1,615,398.54	149,595,988.71	36,320,712.44	33,415,057.29	33,178,955.42	26,851,426.18	18,214,438.84
Gross - Proportional reinsurance accepted	R0120	8,631,511.11	8,631,511.11	0.00	0.00	0.00	0.00	0.00
Gross - Non-proportional reinsurance accepted	R0130							
Reinsurers' share	R0140	449,616.03	4,710,720.56	1,271,489.75	587,124.03	1,415,738.82	234,166.07	752,585.87
Net	R0200	9,797,293.62	153,516,779.26	35,049,222.69	32,827,933.26	31,763,216.60	26,617,260.12	17,461,852.97
Premiums earned								
Gross - Direct Business	R0210	1,545,244.69	144,821,492.41	36,408,033.41	30,923,330.02	32,658,645.70	26,596,284.04	16,689,954.55
Gross - Proportional reinsurance accepted	R0220	14,075,929.43	14,075,929.43	0.00	0.00	0.00	0.00	0.00
Gross - Non-proportional reinsurance accepted	R0230							
Reinsurers' share	R0240	449,616.03	4,710,720.56	1,271,489.75	587,124.03	1,415,738.82	234,166.07	752,585.87
Net	R0300	15,171,558.09	154,186,701.28	35,136,543.66	30,336,205.99	31,242,906.88	26,362,117.97	15,937,368.68
Claims incurred								
Gross - Direct Business	R0310	1,488,679.06	72,593,697.38	18,457,841.65	13,614,502.33	20,571,529.21	14,481,365.63	3,979,779.50
Gross - Proportional reinsurance accepted	R0320	11,900,964.80	11,900,964.80	0.00	0.00	0.00	0.00	0.00
Gross - Non-proportional reinsurance accepted	R0330							
Reinsurers' share	R0340	2,427,786.93	7,279,264.93	-0.69	0.07	4,851,478.61	0.00	0.01
Net	R0400	10,961,856.93	77,215,397.25	18,457,842.34	13,614,502.26	15,720,050.60	14,481,365.63	3,979,779.49
Changes in other technical provisions								
Gross - Direct Business	R0410	484,882.48	8,520,127.57	583,739.82	615,933.42	2,234,199.73	1,576,701.59	3,024,670.54
Gross - Proportional reinsurance accepted	R0420	868,938.13	868,938.13	0.00	0.00	0.00	0.00	0.00
Gross - Non-proportional reinsurance accepted	R0430							
Reinsurers' share	R0440	90,773.01	1,850,926.33	233,398.71	142,375.02	1,062,785.58	195,343.20	126,250.82
Net	R0500	1,263,047.60	7,538,139.38	350,341.11	473,558.40	1,171,414.15	1,381,358.40	2,898,419.72
Expenses incurred	R0550	10,610,595.63	31,266,015.55	4,561,934.31	4,419,979.39	6,317,413.22	4,029,736.20	1,326,356.80
Other expenses	R1200							
Total expenses	R1300		31,266,015.55					

Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - life obligations				
	R1400							
		C0220	C0280	C0230	C0230	C0230	C0230	C0230
Premiums written								
Gross	R1410							
Reinsurers' share	R1420							
Net	R1500							
Premiums earned								
Gross	R1510							
Reinsurers' share	R1520							
Net	R1600							
Claims incurred								
Gross	R1610							
Reinsurers' share	R1620							
Net	R1700							
Changes in other technical provisions								
Gross	R1710							
Reinsurers' share	R1720							
Net	R1800							
Expenses incurred	R1900							
Other expenses	R2500							
Total expenses	R2600							

4. S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health	Accepted reinsurance	**Total (Life other than health insurance, incl. Unit-Linked)**	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		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**	**C0160**	**C0170**	**C0180**	**C0190**	**C0200**	**C0210**
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	**R0020**								0.00		0.00						
Technical provisions calculated as a sum of BE and RM																	
Best Estimate																	
Gross Best Estimate	**R0030**								10,397,559.72		10,397,559.72						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**								5,704,772.86		5,704,772.86						
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	**R0090**								4,692,786.87		4,692,786.87						
Risk margin	**R0100**								2,482,213.44		2,482,213.44						
Amount of the transitional on Technical Provisions																	
Technical provisions calculated as a whole	**R0110**																
Best Estimate	**R0120**																
Risk margin	**R0130**																
Technical provisions - total	**R0200**								12,879,773.16		12,879,773.16						

5. S.17.01.02

Non-life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				Total Non-Life obligation
		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	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
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		-3,840,887.95		-8,852,332.74	-4,242,640.30		-182,555.23			-511,336.79	-604,444.76	-7,078,697.81					-25,312,895.58
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140		42,101.51		-1,716,252.81	-1,072,780.79		0.00			0.00	-467,179.03	0.00					-3,214,111.12
Net Best Estimate of Premium Provisions	R0150		-3,882,989.46		-7,136,079.93	-3,169,859.51		-182,555.23			-511,336.79	-137,265.73	-7,078,697.81					-22,098,784.46
Claims provisions																		
Gross	R0160		8,768,442.95		220,686,430.76	36,902,187.31		288,794.93			873,868.54	734,689.73	5,646,094.98					273,900,509.21
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240		-6.10		20,473,916.33	-131,481.12		0.00			-13.21	0.43	-11.32					20,342,405.01
Net Best Estimate of Claims Provisions	R0250		8,768,449.05		200,212,514.43	37,033,668.43		288,794.93			873,881.75	734,689.30	5,646,106.31					253,558,104.20
Total Best estimate - gross	R0260		4,927,555.01		211,834,098.02	32,659,547.01		106,239.71			362,531.75	130,244.97	-1,432,602.83					248,587,613.63
Total Best estimate - net	R0270		4,885,459.59		193,076,434.50	33,863,808.92		106,239.71			362,544.96	597,423.58	-1,432,591.51					231,459,319.74
Risk margin	R0280		582,296.46		14,655,387.35	2,450,607.62		19,178.35			58,032.03	48,789.42	374,946.97					18,189,238.20
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		5,509,851.47		226,489,485.37	35,110,154.63		125,418.06			420,563.78	179,034.39	-1,057,655.86					266,776,851.83
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330		42,095.41		18,757,663.52	-1,204,261.91		0.00			-13.21	-467,178.60	-11.32					17,128,293.89
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340		5,467,756.05		207,731,821.85	36,314,416.54		125,418.06			420,576.99	646,213.00	-1,057,644.54					249,648,557.94

6. S.19.01.21

Non-life insurance claims information

Total Non-Life Business

Accident year / Underwriting year	Z0020	(1) Accident year

Gross Claims Paid (non-cumulative)

(absolute amount)	Year		Development year 0	1	2	3	4	5	6	7	8	9	10 & +
			C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
	Prior	R0100											2,402,907.67
	N-9	R0160	51,367,805.49	20,248,547.88	4,228,688.76	3,024,614.46	2,312,867.52	1,030,376.79	951,999.25	272,010.29	496,919.59	291,062.14	
	N-8	R0170	46,448,091.27	15,690,288.58	2,945,510.98	2,926,119.46	2,039,475.24	1,809,549.43	725,100.98	951,814.13	415,360.86		
	N-7	R0180	42,787,856.16	16,866,611.11	3,803,956.14	2,880,317.71	1,638,552.30	1,227,324.06	628,886.78	1,397,783.42			
	N-6	R0190	43,874,817.39	20,152,451.11	6,668,515.21	2,591,758.87	1,737,709.56	809,116.29	1,000,337.54				
	N-5	R0200	47,471,277.03	25,983,129.30	5,972,810.70	3,656,416.75	2,038,120.70	1,751,760.47					
	N-4	R0210	50,380,179.46	29,049,491.05	9,230,901.28	2,393,851.64	2,413,708.69						
	N-3	R0220	57,967,764.74	34,205,005.73	10,752,420.18	2,478,733.43							
	N-2	R0230	71,798,645.65	43,699,280.54	9,395,130.51								
	N-1	R0240	80,020,577.23	38,628,519.80									
	N	R0250	71,428,261.52										

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100	2,402,907.67	2,402,907.67
	R0160	291,062.14	84,224,892.19
	R0170	415,360.86	73,951,310.93
	R0180	1,397,783.42	71,231,287.68
	R0190	1,000,337.54	76,834,705.97
	R0200	1,751,760.47	86,873,514.94
	R0210	2,413,708.69	93,468,132.13
	R0220	2,478,733.43	105,403,924.08
	R0230	9,395,130.51	124,893,056.71
	R0240	38,628,519.80	118,649,097.03
	R0250	71,428,261.52	71,428,261.52
Total	R0260	131,603,566.05	909,361,090.83

Difference in Basis between above Triangle and Financial Statements:

The Company's paid claims triangles are produced using claims bordereaux provided by the Company's claims handlers. These bordereaux record the timing of payments made by the claims handlers themselves, and thus the triangles are produced based on these timings. These timings contrast to those used to produce the paid figure in the Company's Profit and Loss Account ("P+L"). In the P+L, the timings used are the point at which the Company makes payments to the claims handlers.

Other areas where there are differences between the basis used for the paid claims triangles and the P+L are: - Currency rates, i.e. point in time against built up over the reporting period; - adjustments made to the P+L for previous years; and - the timing of deductible refunds.

Gross undiscounted Best Estimate Claims Provisions

	Year	Development year 0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											13,927,941.43
N-9	R0160	0.00	0.00	0.00	0.00	0.00	3,490,166.42	2,017,649.30	1,495,567.69	1,046,057.26	832,185.09	
N-8	R0170	0.00	0.00	0.00	0.00	10,200,480.80	5,585,842.02	4,662,346.53	5,466,576.59	2,792,143.06		
N-7	R0180	0.00	0.00	0.00	11,961,790.60	9,304,028.06	6,984,045.18	5,938,963.38	2,555,390.78			
N-6	R0190	0.00	0.00	21,152,056.20	14,814,429.54	9,296,992.54	8,164,212.17	5,142,576.68				
N-5	R0200	0.00	35,672,172.91	24,715,477.38	18,713,310.08	14,341,480.31	9,652,763.19					
N-4	R0210	74,264,387.63	47,598,928.15	28,817,029.28	21,641,469.52	13,613,246.70						
N-3	R0220	81,368,695.02	49,736,438.79	29,686,397.23	22,129,680.29							
N-2	R0230	92,858,227.66	64,257,376.52	48,702,752.28								
N-1	R0240	86,760,103.09	59,799,990.61									
N	R0250	91,493,258.15										

		Year end (discounted data)
		C0360
	R0100	14,009,054.81
	R0160	841,010.76
	R0170	2,831,573.74
	R0180	2,576,912.08
	R0190	5,196,403.49
	R0200	9,797,812.84
	R0210	13,782,344.62
	R0220	22,462,891.83
	R0230	49,422,028.79
	R0240	60,606,232.44
	R0250	92,374,242.83
Total	R0260	273,900,508.21

7. S.23.01.01

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35		C0010	C0020	C0030	C0040	C0050
Ordinary share capital (gross of own shares)	R0010	679,000.00	679,000.00			
Share premium account related to ordinary share capital	R0030	0.00	0.00			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0.00	0.00			
Subordinated mutual member accounts	R0050					
Surplus funds	R0070	0.00	0.00			
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	232,806,882.68	232,806,882.68			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	10,805,000.00	10,805,000.00			
Own funds from the financial statements that shall 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 shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0.00				
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	244,290,882.68	244,290,882.68			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	244,290,882.68	244,290,882.68			
Total available own funds to meet the MCR	R0510	244,290,882.68	244,290,882.68			
Total eligible own funds to meet the SCR	R0540	244,290,882.68	244,290,882.68			
Total eligible own funds to meet the MCR	R0550	244,290,882.68	244,290,882.68			
SCR	R0580	104,959,824.79				
MCR	R0600	40,664,006.68				
Ratio of Eligible own funds to SCR	R0620	232.7470%				
Ratio of Eligible own funds to MCR	R0640	600.7546%				

Reconciliation reserve		C0060
Excess of assets over liabilities	R0700	244,290,882.68
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	0.00
Other basic own fund items	R0730	11,484,000.00
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	232,806,882.68
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	32,571,658.52
Total EPIFP	R0790	32,571,658.52

8. S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
Market risk	R0010	23,075,237.27		
Counterparty default risk	R0020	15,357,655.91		
Life underwriting risk	R0030	883,043.51		
Health underwriting risk	R0040	29,456,868.40		
Non-life underwriting risk	R0050	88,557,904.43		
Diversification	R0060	-44,928,198.23		
Intangible asset risk	R0070	0.00		
Basic Solvency Capital Requirement	R0100	112,402,511.29		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	7,551,574.18
Loss-absorbing capacity of technical provisions	R0140	0.00
Loss-absorbing capacity of deferred taxes	R0150	-14,994,260.68
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0.00
Solvency capital requirement, excluding capital add-on	R0200	104,959,824.78
Capital add-ons already set	R0210	0.00
Solvency Capital Requirement	R0220	104,959,824.78
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0.00
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	

		YES/NO	LAC DT
Approach to tax rate		C0109	C0130
Approach based on average tax rate	R0590	(2) No	
Calculation of loss absorbing capacity of deferred taxes			
LAC DT	R0640		-14,994,260.68
LAC DT justified by reversion of deferred tax liabilities	R0650		0.00
LAC DT justified by reference to probable future taxable economic profit	R0660		-14,994,260.68
LAC DT justified by carry back, current year	R0670		0.00
LAC DT justified by carry back, future years	R0680		0.00
Maximum LAC DT	R0690		-14,994,260.68

9. S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	40,565,458.15

		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		
Income protection insurance and proportional reinsurance	R0030	4,885,459.59	12,215,527.30
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050	193,076,434.50	104,233,613.61
Other motor insurance and proportional reinsurance	R0060	33,863,808.92	105,168,886.65
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080	106,239.71	390,824.71
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110	362,544.96	1,443,657.49
Assistance and proportional reinsurance	R0120	597,423.58	3,988,371.41
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0.00	13,316,021.58
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	98,548.52

		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	4,692,786.87	
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation		C0070
Linear MCR	R0300	40,664,006.68
SCR	R0310	104,959,824.79
MCR cap	R0320	47,231,921.15
MCR floor	R0330	26,239,956.20
Combined MCR	R0340	40,664,006.68
Absolute floor of the MCR	R0350	3,700,000.00
Minimum Capital Requirement	R0400	40,664,006.68

Euro Insurances DAC trading as LeasePlan Insurance is regulated by the Central Bank of Ireland