

Solvency & Financial Condition Report 2022

Yara Insurance DAC



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Yara Insurance DAC

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Summary

The Solvency & Financial Condition Report (“SFCR”) is Yara Insurance DAC’s (“YIDAC”, “the Company”) annual public report as required by the Solvency II Directive 2009/138/EC in order to guarantee transparency in the Insurance and Reinsurance market.

This document has been conducted with reference to:

- Article 51 of the Solvency II Directive 2009/138/EC
- Chapter XII of the EU Delegated Acts (2015/35)
- Guidelines on reporting and public disclosure issued by EIOPA on 28 January 2015 (“the EIOPA Guidelines”)

The Company’s business model is conservative and has not changed in the recent years; the results of the operations continued to be positive as no claims were reported and the profits are retained in the Company enhancing its financial position. From the information disclosed below and the risk management activities carried out during the year emerges that:

- its risk profile allows the Company to continue pursuing its business strategy
- the simplistic composition of its balance sheet does not require different valuation methods for solvency purposes
- its capital management is subordinated in respect of the Regulatory Capital Requirements and the Appetite and Tolerance level agreed by the Board of Directors.

A: Business Performance: Year Ended 31 December 2022

This Solvency & Financial Condition Report (“SFCR”) has been prepared to allow Yara Insurance DAC (‘YIDAC’ or ‘the Company’) to comply with the Pillar III reporting requirements under Directive 2009/138/EC and associated Regulations (‘the Solvency II Directive’).

The Company has set a target Solvency Capital Requirement (“SCR”) cover ratio of 120%.

A.1 General Information about the Business

Legal Form

The Company was licensed in Ireland and is a wholly owned subsidiary of Yara International ASA. It is authorised by the Central Bank of Ireland (“CBI”) to carry on the business of insurance in accordance with the regulations as defined in European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015).

Shareholder

Yara International ASA, which is the ultimate parent of Yara Insurance DAC, a Norwegian registered group.

Supervisory Authority

The Central Bank of Ireland

Registered Office and Registered Number

Registered Office: Elm Park, Merrion Road, Dublin 4, Ireland

Registered Number: 381560

Auditor

Mazars, Dublin

Risk Profile

Yara Insurance DAC is licenced to write the following classes of business

- Class 7: Goods in Transit
- Class 8: Fire and Natural Forces
- Class 9: Other Damage to Property
- Class 12: Liability for Ships
- Class 13: General Liability
- Class 16: Miscellaneous Financial Loss

Material Geographical Areas

- EU/EEA (Norway, Netherlands, Belgium, France, Germany, Italy and Finland)
- Non-EU/EEA (Australia, Brazil, Canada, Colombia, India and USA)

Significant events in the reporting period

There were no significant events within the reporting period that had a material impact on the Company.

Ukraine/Russia

On 24 February 2022, Russia commenced an invasion of Ukraine. The invasion has had a significant impact on a number of financial markets. The directors have considered the impact of these developments on the Company and have determined that, to the best of their knowledge, there is no material exposure to its operations or financial position. The directors will continue to monitor this ongoing situation for further developments which may impact the Company.

Coronavirus Impact

The Coronavirus ("COVID-19") pandemic continued to cause global disruption during 2022, however, the impact on the Company was negligible. The Board has made an assessment of the continued risks involved for the Company and is satisfied that based on the information available to date, the Company is well positioned and sufficiently capitalised to manage those risks. The Board is monitoring the developing situation and assessing the commercial, operational and economic risks to the business as part of their ongoing risk management. In light of the mitigants and controls implemented, the projected residual pandemic risk is deemed to be low.

With regards to the Property Damage and Business Interruption ("PDBI") policy the Board note that the policy excludes the coverage of any infectious disease which has been declared as a pandemic by the

World Health Organisation. The Board are therefore satisfied that there will be no impact on the Company's PDBI line as a result of COVID-19. There have been no direct COVID-19 related claims reported to the Company. The Board however are aware of the potential exposure to such claims under the combined liability programme and continues to monitor the claims statistics closely. Furthermore, the Company will maintain its prudent reserving approach by using actuarial assessments to assist in the Company's pricing and reserving of this risk.

A.2 Underwriting Performance

Actual 2022 (all in EUR)					
Gross Premium Written:	PDBI	General Liability	Charters Liability	Cargo	Total
Risks located in Ireland	-	-	-	-	-
Risks located in other EU countries	24,691,279	900,000	370,728	898,367	26,860,374
Risks Located outside EU	14,870,614	-	-	2,150,313	17,020,927
Total	39,561,893	900,000	370,728	3,048,680	43,881,301

Actual 2021 (all in EUR)					
Gross Premium Written:	PDBI	General Liability	Charters Liability	Cargo	Total
Risks located in Ireland	-	-	-	-	-
Risks located in other EU countries	21,494,732	945,000	407,221	1,341,692	24,188,645
Risks Located outside EU	12,523,273	-	(26,326)	1,250,402	13,747,349
Total	34,018,005	945,000	380,895	2,592,094	37,935,994

Actual 2022 (all in EUR)					
Technical Result:	PDBI	General Liability	Charters Liability	Cargo	Total
Gross Earned Premium	39,876,447	900,000	369,047	3,048,679	44,194,173
Gross incurred claims	(49,278,408)	(81,748)	(28,949)	(283,407)	(49,672,512)
Gross operating expenses	(976,426)	(138,722)	(4,279)	(238,712)	(1,358,139)
Reinsurance balance	(6,118,601)	-	(332,262)	(1,481,386)	(7,932,249)
Allocated investment return	500,483	11,386	4,690	38,568	555,127
Other technical income	2,192,392	-	-	-	2,192,392
Net technical result	(13,804,113)	690,916	8,247	1,083,742	(12,021,208)

Actual 2021 (all in EUR)					
Technical Result:	PDBI	General Liability	Charters Liability	Cargo	Total
Gross Earned Premium	33,703,453	945,000	384,305	2,592,094	37,624,852
Gross incurred claims	(678,072)	6,988	(44,153)	(465,719)	(1,180,956)
Gross operating expenses	(871,924)	(125,857)	(12,689)	(146,080)	(1,156,550)
Reinsurance balance	(18,917,136)	-	(299,117)	1,617,744	(17,598,509)
Allocated investment return	399	11	4	30	444
Other technical income	2,079,584	-	-	-	2,079,584
Net technical result	15,316,304	826,142	28,350	3,598,069	19,768,865

A.3 Financial Performance

The deterioration in financial performance of the Company in 2022 when compared to the prior year, was predominately driven by higher net claims incurred, which was comprised of an increase in gross technical provisions of €48,667,322 (2021: reduction of €1,624,357) and an increase in reinsurers' share of reserves of €17,788,214 (2021: increase of €2,623,620).

	2022 EUR	2021 EUR
Gross premiums written	43,881,301	37,935,994
Outward reinsurance premiums	(26,982,788)	(20,536,717)
Net premiums written	16,898,513	17,399,277
Change in the gross provision for unearned premiums	312,872	(311,142)
Change in the provision for unearned premiums, reinsurer's share	(366,412)	314,587
Earned premiums, net of reinsurance	16,844,973	17,402,722
Other technical income	2,192,392	2,079,584
Allocated investment return transferred from the non-technical account	555,127	444
Net claims paid	623,547	(2,805,313)
Change in the provision for net claims	(30,879,108)	4,247,977
Claims incurred, net of reinsurance	(30,255,561)	1,442,664
Net operating expenses	(1,358,139)	(1,156,550)
Balance on the technical account for general business	(12,021,208)	19,768,864
Investment Income	555,127	444
Less: Investment Income Allocated to technical account	(555,127)	(444)
Foreign exchange gains/(losses)	146,755	(109,201)

	2022 EUR	2021 EUR
(Loss)/Profit on ordinary activities before taxation	(11,874,453)	19,659,663
Taxation credit/(charge)	1,067,861	(2,457,458)
(Loss)/Profit on ordinary activities after taxation	(10,806,592)	17,202,205

A.4 Investment Performance

Total Investment Income for the financial year ended 31 December 2022 was €555,127 (2021: €444). All income was derived from Cash and Deposits.

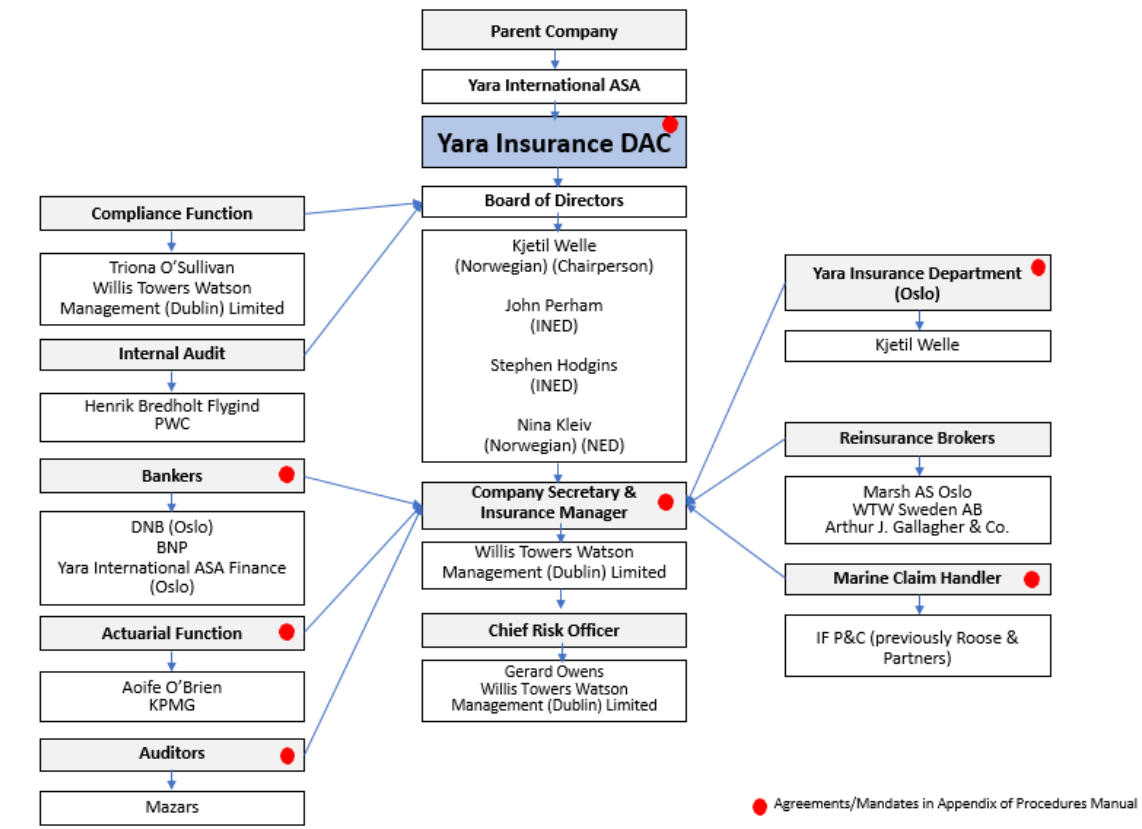
A.5 Any Other Information

None.

B: System of Governance

B.1 General Information

The Organisational Structure of the Company as at the end of the current reporting period was as follows:



Board of Directors

The Board of YIDAC as at 31st December 2022 comprised as follows:

Name	PCF	Date Appointed by the Board
Kjetil Welle	Non-Executive Director and Chairman of Board	29/12/2011 (appointed Chairman 10/03/2020)
John Perham	Independent Non-Executive Director	04/02/2005
Stephen Hodgins	Independent Non-Executive Director	31/03/2015
Nina Kleiv	Non-Executive Director	17/06/2020

YIDAC is a captive insurance undertaking and is therefore availing of the exemption in Section 1551(13) of the Companies Act, 2014 (as amended) from the requirement to establish an Audit Committee. The Board of Directors, as comprised above performs the functions of the Audit Committee as described in Section 1551 of the Companies Act, 2014.

The following roles and decisions are the sole responsibility of the Board and it is their role to ensure:

- The effective, prudent and ethical oversight of the Company
- Setting the business strategy for the Company
- Establishing Banking Mandate(s)
- Determining Investment Policy (to be reviewed by the Board annually)
- Setting Insurance and Reinsurance Parameters
- Setting Premium Rates
- Loss Reserve Strategy
- Booking the Margin for Uncertainty of the Company
- Security Guidelines for Reinsurers
- Capital and calling-up of capital
- Appointment of Reinsurers
- Appointment of Auditors
- Appointment of Company Secretary
- Appointment of Directors/General Manager/Compliance Officer/Chief Risk Officer
- Appointment of Insurance Managers
- Appointment of Head of Actuarial Function
- Appointment of Investment Manager(s)
- Appointment of Bankers

- Appointment of Lawyers
- Removal of the head of a control function and consequent notification of such decision to CBI within 5 working days
- Dividend Recommendations
- Setting the Risk Appetite of the Company
- Overall Responsibility for the Company's Risk (including material risk and liquidity risk)
- Establishing and maintaining the Company's Internal Control Framework
- Identification and appointment of the Key Functions within the Company
- Own Risk and Solvency Assessment ("ORSA") and related activities including approval procedures
- Review of the Company's Policies and Procedures (annually)
- Establishment of various Committees and related delegation of duties (as required)
- Sign-off various Committees' Terms of Reference (as required)
- Fit and Proper Procedures and approval process
- Review and sign off Financial Statements and annual regulatory reporting as required by Solvency II – annual Quantitative Reporting Templates, Regular Supervisory Report and Solvency and Financial Condition Report.

Information on Remuneration Policies and Practices

As the Company is a captive insurance undertaking, executive director positions are held by Group employees and two independent non-executive directors.

Overview of Year Ended 31 December 2022

Two Board Meetings took place in Dublin, Ireland within the reporting period. These took place on the following dates:

- 1 April 2022
- 7 November 2022

Key Functions

The Company complies with the requirements under Solvency II and the Fitness & Probity Standards to ensure that key functions are held by persons with the appropriate knowledge, experience and competence. The Company has nominated Mr. Kjetil Welle as the designated person, with the overall responsibility for the outsourced functions. Mr. Welle has sufficient knowledge and experience with regard to the outsourced key functions and has the ability to challenge the performance and results of the respective service providers. The following key functions are outsourced by the Company:

Risk Management Function.

The Company's Risk Management Function is outsourced to Willis Towers Watson Management (Dublin) Limited ("WTWMDL"), subject to the conditions outlined in the Company's Outsourcing Policy.

The Board will review the composition of its Risk Management Function at least annually.

The Board is responsible for ensuring the effectiveness of the Company's Risk Management System, for setting the risk appetite and tolerance levels as well as approving all related risk management strategies and policies.

The Company's Risk Management Function is responsible for the implementation of the Company's Risk Management arrangements within the operations of the Company on an ongoing basis.

The Risk Management Function is also responsible for effective reporting to the Board on the material risks to which the Company is exposed and on other specific areas of risks both on its own initiative and following direction from the Board.

In line with the Solvency II requirements, the Company has nominated an appropriate person to the role of Chief Risk Officer (PCF14). This function holder is provided to the Company by WTWMDL in line with the terms and conditions of the Management Services Agreement. The nominated individual representing WTWMDL was changed effective 31st January 2022.

Compliance Function.

The Company's Compliance Function is responsible for implementing an appropriate compliance framework within the Company and monitoring the Company's adherence to legal and regulatory requirements on an ongoing basis.

The Compliance Function reports to the Board periodically on all key compliance matters, such as implementation of the annual Compliance Plan, regulatory engagement and correspondence, upstream regulatory developments and any compliance breaches that may have occurred in the period and corrective actions undertaken.

In line with the Solvency II requirements, the Company has nominated an appropriate person to the role of Head of Compliance (PCF12). This function holder is provided to the Company by WTWMDL in line with the terms and conditions of the Management Services Agreement.

Actuarial Function.

The Board has ensured that an appropriately resourced Actuarial Function is established and maintained within the Company. The activities of the Company's Actuarial Function are currently outsourced to KPMG.

The Actuarial Function is carried out by persons who have an appropriate knowledge of actuarial and financial mathematics, commensurate with the nature, scale and complexity of the risks inherent in the Company, and who are able to demonstrate their relevant experience with applicable professional and other standards in line with the Company's Fitness and Probity Policy and the Central Bank of Ireland's Fitness & Probity Standards.

In line with the Solvency II requirements, the Company has nominated an appropriate person to the role of Head of Actuarial Function (PCF48).

The Actuarial Function's role can be summarised as providing the Company with the following:

- Coordinate the calculation of technical provisions
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions
- Assess the sufficiency and quality of the data used in the calculation of technical provisions
- Compare best estimates against experience
- Inform the Board of the reliability and adequacy of the calculation of technical provisions
- Express an opinion on the overall underwriting policy
- Express an opinion on the adequacy of reinsurance arrangements
- Contribute to the effective implementation of the Risk Management System, in particular with respect to the risk modelling underlying the calculation of the capital requirements

Internal Audit Function.

The Board has ensured that an appropriately resourced Internal Audit Function is established and maintained within the Company. The Internal Audit Function is an outsourced service provided by a third-party audit firm (PwC) with the Board acting as oversight. The Internal Audit mission is to independently examine and evaluate the functioning effectiveness and efficiency of the Company's internal control system and all other elements of governance.

The activities of the Internal Audit function are designed to provide advice to management in improving the internal control environment, monitoring the implementation of strategic control initiatives and

managements remediation activity. The Internal Audit Function provides a formal report to the Board at least annually. The findings of Internal Audit reviews conducted are discussed with and challenged by the Board and an action plan is agreed upon to remediate any issues identified, along with a timeline for completion.

In line with the Solvency II requirements, the Company has nominated an appropriate person to the role of Head of Internal Audit Function (PCF13).

B.2 Fit and Proper Requirements

Yara Insurance DAC deems the following personnel to hold Pre-Approval Controlled Functions and therefore be defined as 'Relevant Persons' subject to the Fitness and Probity Standards:

- The Board of Directors
- The Chief Risk Officer
- The Head of Internal Audit
- The Head of Actuarial Function
- The Head of Compliance

Fitness:

The members of the Board of the Company collectively possess the required qualification, experience and knowledge:

- Of insurance and financial markets relevant to the operations of the Company;
- Of the business strategy and business model of the Company;
- Of the Company's system of governance;
- To perform required financial and actuarial analysis in respect of the Company;
- Of the regulatory framework and requirements applicable to the Company; and
- Generally, to be able to provide for the sound and prudent management of the Company.

The persons holding the key functions outlined above must hold the appropriate qualifications, knowledge and sufficient experience in their relevant disciplines, in compliance with the Fitness and Probity Standards ("The Standards").

Probity:

The honesty, financial soundness and reputation of every Relevant Person must be assessed by the Company in order to determine that they are of good repute and integrity, based on relevant evidence regarding their character, personal behaviour and business conduct including any criminal, financial and supervisory aspects, regardless of location but taking account of any applicable period of limitation in respect of any committed offence.

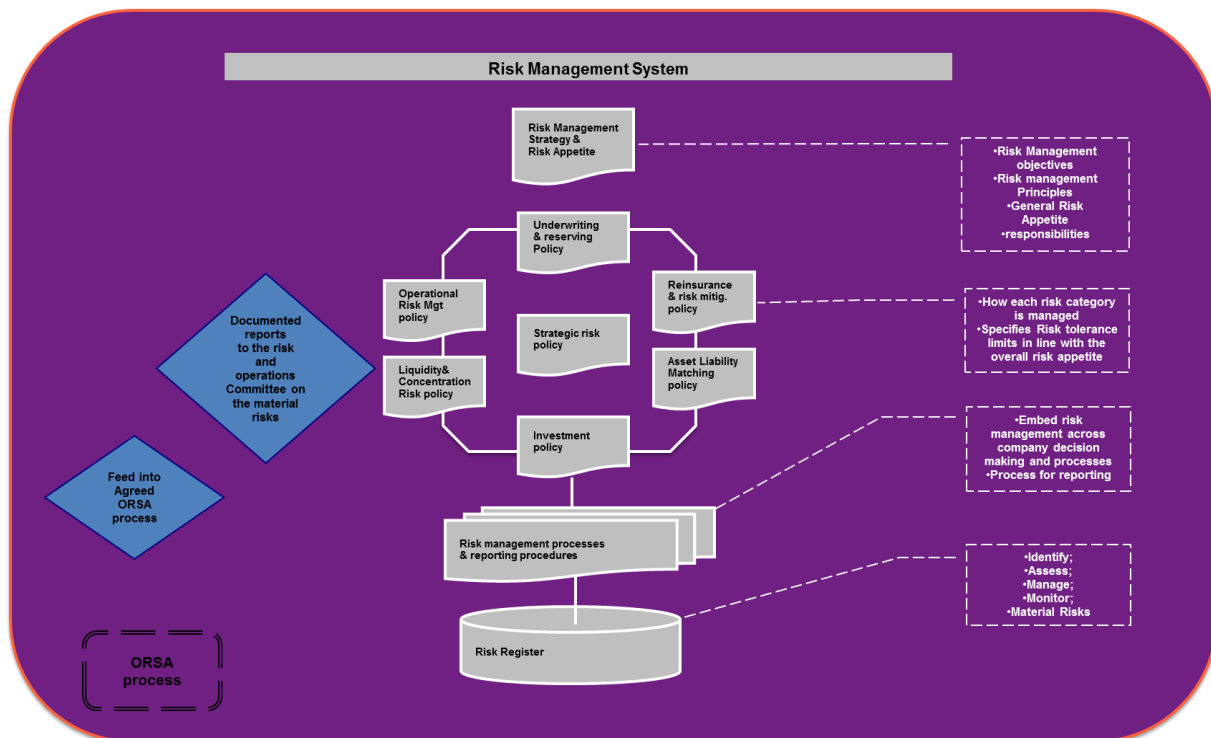
The appointment and continuing engagement of any Relevant Person must comply with the probity elements of the National F&P Standards.

In line with The Standards, the Company submits a PCF Confirmation to the Central Bank on an annual basis confirming all PCF holders remain in compliance with the fitness and probity requirements.

B.3 Risk Management System

The Company's Risk Management System is comprised of the following elements:

- Risk Register
- Risk Appetite Statement ("RAS")
- Formal Policy Documents for all key risks
- ORSA
- Formalised Risk Reporting



Each of the elements of the Risk Management System detailed above contribute to the identification, measurement, monitoring, management and reporting of risks and is intended to work as an integrated system, and therefore each should be considered in both in terms of the specific function of the respective element, and in terms of its function within the overall system.

Each element of the system is embedded effectively within the Company and managed by the Risk Management Function with appropriate oversight from and reporting to the Board.

Risk Management Approach

The Company's risk management approach is centred on ensuring the inherent risk which the Company faces in the course of its business are appropriately managed to ensure the strategic objectives of the Company are achieved.

This approach also ensures that risk management is appropriately included in the Company's decision-making process.

Risk Profile

The Company, in considering its risk profile, has regard to the following factors:

Nature:

The nature of the Company's risk is confined primarily to Group and therefore represents limited systemic risk.

Scale:

The scale of the risk assumed by the Company can be considered low based on the residual 'Values at Risk' and the Company's organisational structure.

Complexity:

YIDAC assumes standard underwriting risk only, holds a simplistic and conservative investment portfolio, employs traditional risk mitigation techniques and utilizes reputable counterparties, and therefore the risk assumed can be considered to be of limited complexity.

The Company's risk profile is formally reviewed at least annually as part of the Company's ORSA exercise. The Risk Management Function monitors the Company's risk profile and the corresponding risk management arrangements in place on an ongoing basis and reports to the Board on any observed material changes.

Risk Function

The Risk Function of the Company is responsible for the operational coordination and application of all Risk Management activities throughout the Company on an ongoing basis.

The Risk Function reports directly to the Board on a quarterly basis or upon occurrence of an event which could materially impact the Company's risk profile.

The Function is responsible for coordination of all risk management activities throughout the Company.

The function is also responsible for providing the Board with assistance and support in development and implementation of the various risk management arrangements within the Company.

The Board has outsourced the activities of the Risk Function to WTWMDL in accordance with the Company's Outsourcing Policy.

Risk Categories & Key Risks

Key risks are considered to be the six risk categories detailed in the Solvency II Directive, together with any other risks evaluated as being key risks by the Risk Management Function and the Board of Directors.

Any of the other identified risks, outside of those prescribed risk categories in the Solvency II Directive, shall be considered to be a key risk if, on a residual basis, a material level of capital is deemed to be required in order to accept the risk, or if particular controls or risk mitigation techniques specific for the risk in question must be employed in order to bring the risk within the appropriate thresholds as defined in the Risk Appetite Statement.

All key risks are documented in the Risk Appetite Statement and are subject to a specific policy document which addresses how the risk is to be managed in line with the hierarchy outlined previously.

The key risk categories for the Company are;

- Underwriting Risk
- Reinsurance and Other Risk Mitigation Techniques
- Operational Risk
- Investment Risk
- Asset-Liability Management Risk
- Liquidity Risk
- Outsourcing Risk
- Compliance Risk

The risk categories and key risks to which the Company is exposed are reviewed periodically by the Risk Management Function and at least;

- Quarterly
- On occurrence of an event which could materially affect the Company's risk profile
- On the introduction of material new business
- At the discretion or order of the Board

Risk Register

The Company has in place a comprehensive Risk Register to evaluate and assess the risks to which the Company is exposed.

The Risk Register shall initially assess the risk universe of the Company on an inherent basis. The controls and risk mitigating techniques employed by the Company and as detailed in the individual risk policies which act on the risk allow for an evaluation of the risk on a residual basis.

If the risk on a residual basis is deemed to potentially require a material level of capital to accommodate the risk, this risk should be considered a key risk in line with Section 10. Any risk deemed to be a key risk shall be considered for inclusion in the RAS by the Board and a policy developed.

The Risk Management Function is responsible for the ongoing maintenance of the Risk Register. The Risk Register will be updated on at least a quarterly basis and upon the occurrence of an event which may materially impact the Company's risk profile.

A summary of the results of the Risk Register review shall be distributed to the Board upon completion of each review as soon as is practicable and form part of the Risk Management Function's periodic Risk Reporting as outlined in Section 15 of the Risk Management Policy.

As part of each update, the Risk Register shall be reviewed by the Risk Management Function to ensure that the Risks included represent all the material risks to which the Company is exposed and that all applicable emerging risks have been appropriately included.

Where an emerging risk has been identified as one which should potentially be included in the Risk Register, the Risk Function will advise the Board of the nature and context of the risk. The Board then shall determine whether the risk in question is to be included in the Risk Register and whether the risk should be considered as a Key Risk.

Risk Appetite Statement

The Company has in place a RAS. The RAS sets out the risk appetite and tolerance levels for all key risks over the planning period of the Company.

The Company considers the RAS to be the primary element of the Risk Management System, directly linking to the overall Company Strategy and determining the levels retained for each key risk, and also influencing the nature of the controls and mitigation techniques employed to ensure that the risk remains within the tolerable range.

The Board is responsible for setting the Company's RAS. The Board shall periodically review the appropriateness and effectiveness of the RAS and will perform a formal review of the RAS at least annually or upon a material change in the Company's risk profile.

The RAS includes both qualitative and quantitative aspects for each key risk and is aligned to the planning period of the Company.

The RAS shall be included in the decision-making processes of the Company. The Board shall, before finalizing any material decision which could impact the risk profile of the Company, refer to the RAS for guidance as to the likely effect of the decision on the tolerance levels of the Company.

The RAS shall also be used to track actual performance against the metrics detailed in the RAS to ensure that no breach in the agreed tolerance levels has occurred.

Monitoring of the actual performance against the metrics identified in the RAS shall be performed periodically by the Risk Management Function and reported to the Board in line with the reporting trigger system included in the RAS.

The Company's appetite principles and quantitative appetite and tolerance levels for each key risk are detailed in the Risk Appetite Matrix.

Risk Policies

The Company shall hold a formal policy for each key risk included in the RAS. The policies for each specific risk should be consistent with the details contained in the RAS relating to the risk in question. The controls, reporting triggers and any other relevant aspects of the management of the risk should be appropriately reflected in the policy for the risk.

The policies for each key risk currently in force and acting as part of the Risk Management system are as outlined in Section 10 of the Risk Management Policy.

ORSA

The Company aims to ensure that the Company is appropriately and prudently capitalised in order to accept the risk to which the Company is exposed. In order to ensure this, the Company performs an ORSA at least annually and upon the occurrence of an event which may materially impact the Company's risk profile.

ORSA - Approach taken:

The EIOPA guidance in relation to the ORSA focuses on what is to be achieved by this assessment rather than on how it is to be performed. Since the ORSA represents the Company's own view of its risk profile and the capital needed to address these risks, the Company decides for itself the most appropriate process by which the ORSA is performed.

The Board takes a proactive approach in the ORSA process by providing guidance to the Risk Management function as to the direction of the ORSA process, including the identification, evaluation and quantification of the risks inherent in the business.

The following approach provides a summary of the approach taken in 2022:

- The ORSA was discussed in detail initially during the meeting of the Board held on 1 April 2022, where the assumptions relating to the Company's financial projections were agreed, stressed scenarios were identified by the Board for testing together with a review of the Risk Register and the Risk Appetite Statement.
- At the 7 November 2022 Board meeting, the 2022 ORSA Report was presented for review together with related items including the Board's determination of Own Solvency Needs and the Head of Actuarial Function's ORSA Opinion. The Board approved the ORSA Report and the CBI Reporting Template as presented.

The Board of Directors provided substantial input and detailed discussion in deciding the various aspects of the ORSA.

Own Risk Assessment

The first element of the ORSA process was to ascertain the Company's Own Risk Assessment ("ORA"). ORA is a method of identifying its material risks in the context of its Risk Profile, Risk Register and Risk Appetite Statement. The following areas for assessment were identified in respect of the Company's material risks:

- The Maximum Value at Risk ("VAR") for each identified key risk of the Company,
- The controls and risk management arrangements in place which act to mitigate each risk,
- The basis for measurement and assessment of the risk over the planning period,
- The current experience of each individual risk,
- The expected risk assessment for the planning period, being the anticipated financial and non-financial activity of the Company over the short, medium and long term.
- Application of appropriate and reasonable stresses to the expected risk assessment to demonstrate the robustness of the Company's capital base in the context of its current business.

Risk Reporting

The Risk Management Function will formally report to the Board on a quarterly basis. The report will contain details of the outcome of the Risk Register review, the results of the comparison of the RAS to actual results and an update on emerging risks.

The report shall contain qualitative and quantitative aspects and shall cover all key risks of the Company.

The Risk Management Function is responsible for the development of the Risk Reports.

The Risk Management Function will provide a report to the Board based on the occurrence of an event which materially alters the risk profile of the Company or if the tolerance level triggers are detonated.

The Risk Management Function shall comment on the quality of the data used in the Risk Management System and advise the Board where data quality issues may distort or mislead results.

B.4 Internal Control System

The Board is ultimately responsible for ensuring that the Company has in place an effective internal control system which is commensurate with the nature, scale and complexity of the Company's operations. The Company ensures that appropriate levels of Internal Controls are present within the organisational structure, work and authority flows, resource utilisation and information systems.

This is achieved by:

- Ensuring the presence and application of individual internal policies, procedures and guidelines for each of the critical functions and activities of the Company;
- Ensuring that adequate approval procedures, authorization authorities, verification, reconciliations, and review procedures are in place for each function or activity and are adequately documented and communicated;
- Ensuring that adequate controls are in place pertaining to safeguarding the integrity and protection of information;
- Ensuring sufficient monitoring mechanisms are in place to facilitate assessments of the effectiveness of the controls in place; and
- The activities of the Compliance function are in place, the Compliance Policy is being applied and the Compliance Plan is being implemented.

The Internal Audit Function is responsible for the evaluation of the adequacy and effectiveness of the Company's internal control system. The Compliance Function is responsible for the review and monitoring of the application of internal controls relating to compliance risk. The outsourced Managers are responsible for the application and ongoing maintenance of the Company's internal control activities. The contracted Management Company has procedures manuals and internal controls in place that are documented and maintained within the Company's Corporate Governance Framework documents. Internal controls are reviewed at least annually or when a change in the systems or operations of the Company occurs. The policies and procedures in place are proportional to the operations of the Company and cover at least the following key operational areas:

- Underwriting
- Claims reserving
- Claims settlement
- Management accounts preparation
- General bank payments
- Bank reconciliations
- Compliance

The Internal Controls are also proportional to the operations of the Company and centre on the following controls:

Regular

- Four eye review approach on all renewal activities
- Dual signatories on all payments in line with approved bank mandates
- Reconciliations of all bank accounts on a monthly basis
- Monthly Financial reporting to Group
- Detailed bi-annual reporting to the Board on Compliance matters

Periodic

- Monitoring activities are carried out by the Compliance Function and a Compliance and Regulatory report is circulated to the Board.
- The Internal Audit Function conduct reviews of the design and effectiveness of internal controls, in line with the Internal Audit Plan approved by the Board.
- The Management Company is subject to the Internal Audit processes of the Willis Towers Watson Group with Internal Audit reviews covering work performed by WTWMDL on its clients.
- The Company's accounts are audited annually by the external Auditor. No material control issues have been raised to date on the operations of the Company.

B.5 Outsourcing

The Company outsources various activities where the Board believes outsourcing can provide access to superior processes and technical skills than it would otherwise achieve on a standalone basis, or where appropriate due to the nature, scale and complexity of the operations of the Company. The Board is ultimately responsible for the approval of and termination of all outsourcing arrangements of critical or important functions and activities.

The Risk Management Function is responsible for assessing the risks associated with the outsourcing of critical or important functions or activities as part of its overall remit to identify, assess, manage, monitor and report the risks of the Company on an ongoing basis. The functions deemed critical or important are defined in the Company's Outsourcing Policy.

The Board has ensured that the outsourced service providers adhere to the Company's policies and procedures and that the effectiveness of the Company's system of governance has not been lessened or compromised by the outsourcing arrangements.

The performance of each service provider is based on a comparison of the actual performance of the service provider in comparison with the required performance as per the agreed Service Level Agreement (“SLA”). The SLA’s include details covering Business Continuity Planning and ensure that acceptable service levels are maintained in the event of problems occurring with the service provider. The performance of the service providers is formally assessed by the Board on an annual basis.

In the Board’s current assessment of the performance of each service providers acting in an outsourced capacity, no material deficiencies noted.

B.6 Any Other Information

None.

C: Risk Profile

The Company operates a low-risk business model that is supported by a robust risk management framework that ensures risks are well understood and controlled. This is facilitated by systematic quantification of all risks and a culture that promotes the importance of risk management.

Integral to this is a thorough understanding and articulation of the Company's risk exposures. Determining the prevailing risk landscape within the Company allows Management, the Risk Function and the Board to assess the appetite for each emerging risk and to ensure that all are quantifiable and managed consistently with our appetite to risk.

An overview of the key risks associated with the business including an outline of how they are managed is provided below.

C.1 Underwriting Risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random, unknown and unpredictable

As its primary insurance activity, the Company assumes risks relating to PDBI coverage relating to the Group's Production Facilities in across the world. The company also assumes risks relating to Cargo and Charterers Liability. Additionally, the Company accepts inwards reinsurance placements for General Liability.

The Company is therefore exposed to the uncertainty surrounding the timing and severity of claims under these insurance contracts. The terms and conditions of the insurance contracts it issues set out the basis for the determination of the Company's liability should the insured event occur.

The Company also faces risks that the actual claims are significantly different to the amounts included within the technical provisions. This could occur because the frequency or severity of claims is greater or lower than estimated. The insurance risks are mitigated through strict underwriting criteria, the utilising of actuarial review and the use of reinsurance.

The Company manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or that exceed set limits, pricing guidelines, centralised management of reinsurance and monitoring of emerging issues.

The Company reinsures a significant portion of the risks it underwrites in order to control its net exposure to losses and protect capital resources. The Company buys non-proportionate facultative reinsurance to reduce the Company's net exposure.

Ceded reinsurance contains credit risk and reinsurance recoverable that are reported after deductions, if any, for known insolvencies and uncollectible items. The Company monitors the financial condition of reinsurers on an ongoing basis and reviews its reinsurance arrangements annually. The Company

utilises reinsurance agreements with non-affiliated reinsurers to control its exposure to losses resulting from one occurrence and for the accumulation of net losses arising out of one occurrence.

C.2 Market Risk

The Company's primary objective in relation to market risk is to protect and preserve the Company's assets. The company therefore only invests in line with the Company's Investment Policy which is reviewed on an annual basis by the Board of Directors.

The Company seeks to spread investments across a number of institutions to reduce concentration risk.

The Company and the Board will annually review the amount of funds invested with any one institution and will maintain a minimum of two credit institutions.

The Company has little appetite for counterparty default risk in relation to investments and seek to invest in institutions of the greatest strength and stability.

All of the Company's liabilities can be considered short term in nature and hence the company looks to limit the duration of investments to reduce Asset Liability Matching risk.

C.3 Credit Risk

Credit Default Risk

The investment strategy and minimum rating requirement outlined in the Company's Investment Policy is pursued and seeks to minimise credit default risk and lock in an illiquidity premium, which is achieved in a number of ways such as investing in low-risk asset classes such as fixed term deposit accounts.

Counterparty Default Risk

The Group utilises reinsurance to manage insurance risk efficiently. The Group is therefore exposed to the failure of these counterparties. The exposure is reduced as the counterparties are diversified and also the credit default risk is managed by ensuring a general minimum credit rating of A or greater, as documented in the Company's Reinsurance Policy.

C.4 Liquidity Risk

The Company's Liquidity Policy requires sufficiently liquid assets to be held in order to meet outflows. All investments are held in a liquid state and the Company has clear visibility of when policyholder obligations will and could fall due given the nature and scale of the Company being a Captive Insurer. Ongoing monitoring of liquidity also allows mitigating actions to be taken at an early stage if required.

C.5 Operational Risk

The Company is exposed to operational risk, which is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In particular, this includes the failure of key outsourcing arrangements, business disruption, fraud and loss of key personnel.

The process through which the Company's operational risk universe is determined and subsequent estimates of frequency and severity are assessed is captured in the Operational Risk Policy. This process safeguards the ongoing improvement of the control environment and ensures that operational risk is identified and mitigated.

The Company is reliant on the use of external parties to provide a significant portion of the services required, and thus is therefore exposed to the potential failure of these outsourcing partners. The Company has documented a Contingency Plan and an Outsourcing Policy which set out how this risk is managed and monitored.

C.6 Other Material Risks

The directors recognise that climate change poses a risk to both the Company and its stakeholders. In line with regulatory expectations, the Company continues to develop processes and controls proportionate to the nature and scale of the business. The directors will continue to monitor the potential impact of climate change as part of its established risk monitoring processes and implement mitigating solutions where possible.

C.7 Any Other Information

None.

D: Valuation for Solvency Purposes

D.1 Assets

Valuation of Assets

The recognition and valuation bases deployed in accordance with the provisions of the Solvency II Directive. The main variation in valuation of assets under Solvency II principles versus the current accounting basis is the recognition of Deferred Acquisition Costs and the valuation basis of the Reinsurance Share of Technical Provisions. On a Solvency II valuation basis all assets and liabilities are held at a market consistent value for expected future cash flows. Therefore, items such as deferred acquisition costs are not included on the balance sheet. Instead, the actual expected future cash flows associated with any future acquisition cost payments are included within the technical provision valuation. For the reinsurance share of technical provisions the adjustments for solvency purposes relates to the application of the Solvency II best estimate valuation. The fair value of these combined technical provisions is calculated by discounting estimated future cash-flows (best estimates) based on estimated duration of each provision (payment pattern), using the risk-free interest rate curve. An adjustment for reinsurer default is then applied.

Insurance and Intermediaries Receivable which relate to unexpired policies and that are not considered to be overdue are incorporated into the technical provisions calculation rather than the counterparty default risk charge, as such this portion of, in the case of YIDAC, premium receivable is excluded on a Solvency II valuation basis, hence the variation.

The variation in valuation of assets and liabilities under Solvency II valuation principles results in a deferred tax balance, which is a deferred tax liability in the current year (2021: deferred tax asset). In the event of the revaluation resulting in a deferred tax asset balance, the Company recognises the amount on the basis that it expects to be profit-making over the applicable future period.

Material Differences in the above used for valuation in Financial Statements

Assets (EUR)	2022	
	Current Accounting Bases	SII Valuation Principles
Reinsurance share of TP - non-life excluding health	33,181,877	35,702,365
Deferred acquisition costs	-	-
Insurance and intermediaries receivable	74,888	18,650
Reinsurance receivables	2,396,840	1,123,739
Cash & cash equivalents	141,789,532	141,789,532
Any other assets, not elsewhere shown	3,292,538	3,292,538
Total assets	180,735,675	181,926,824

Assets (EUR)	2021	
	Current Accounting Bases	SII Valuation Principles
Reinsurance share of TP - non-life excluding health	15,760,075	15,617,728
Deferred acquisition costs	245,010	-
Deferred tax assets	-	349,111
Insurance and intermediaries receivable	482,767	2,573
Reinsurance receivables	2,149,758	1,063,588
Cash & cash equivalents	122,935,217	122,935,217
Any other assets, not elsewhere shown	884,193	884,193
Total assets	142,457,020	140,852,410

Overview of any assets not regularly traded in Financial Markets

The Company has no assets that are not regularly traded in financial markets.

D.2 Technical Provisions

Valuation of Technical Provisions per Line of business

Technical provisions are valued in accordance with Article 77 of the Solvency II Directive which states that the value of technical provisions shall be equal to the sum of a best estimate and a risk margin.

Valuation results

The valuation was carried out together for each line of business. Under Solvency II, the balance sheet is required to be valued on a “best estimate” discounted cash flow basis. This leads to differences in claims provision between financial statements and Solvency II.

The table below sets out the results of the Technical Provision calculations on the financial statements and Solvency II basis.

Liabilities (EUR)	2022	
	Current Accounting Bases	SII Valuation Principles
Gross technical provisions – non-life (excluding health)	80,902,159	82,046,380
TP calculated as a whole (best estimate + risk margin)	80,902,159	-
Best estimate	-	79,069,117
Risk margin	-	2,977,263
Provisions other than technical provisions	13,750,948	13,750,948
Deferred tax liabilities	-	9,406
Reinsurance payable	47,029	18,708
Insurance & intermediaries payables	586,091	586,091
Any other liabilities, not elsewhere shown	154,258	154,258
Total liabilities	95,440,485	96,565,791

Liabilities (EUR)	2021	
	Current Accounting Bases	SII Valuation Principles
Gross technical provisions – non-life (excluding health)	32,547,709	33,386,872
TP calculated as a whole (best estimate + risk margin)	32,547,709	-
Best estimate	-	31,251,200
Risk margin	-	2,135,672
Provisions other than technical provisions	12,177,009	12,177,009
Reinsurance payable	86,831	86,831
Insurance & intermediaries payables	761,300	761,300
Any other liabilities, not elsewhere shown	782,390	782,390
Total liabilities	46,355,239	47,194,402

The Solvency II Directive regulation requires the inclusion of “run-off” expenses to be incorporated into the Solvency II calculation. This has been added to the net technical provisions for the Company.

Claims Provision

As at the reporting date, the Company had included the following known losses with open reserves, provision for Incurred but not Reported ("IBNR") provisions within its Technical Provisions:

	2022 EUR '000	2021 EUR '000
Notified outstanding claims	74,177	26,741
Provision for claims incurred but not reported	6,660	5,429
	80,837	32,170
Unearned Premium Provision	65	378
	80,902	32,548

Material Differences in the above used for valuation in Financial Statements

The above table outlines the material differences in the valuation of technical provisions between the Financial Statements and Solvency II valuation.

Simplification

The Company utilises the standard formula for the calculation of its SCR. Simplification method one is used for the standard formula.

Uncertainties in the value of Technical Provisions

The key assumptions that impact the Technical Provisions are detailed below along with comments regarding the materiality of these assumptions.

- **Settlement period:** Most of the risks being underwritten are short tailed. We have assumed that risk would run off within 5 years.
- **Discount rate:** Current yields average at 3.191% (2021: negative average yield 0.291%) across all lines with variation depending on the expected tail of the risk.
- **Expenses:** The total expenses involved in the operation of the Company are relatively small when compared to other elements in the calculation of the technical provisions.
- **Reinsurance:** We have also assumed that the reinsurance will perform as expected.

The above assumptions are consistent with the previous Actuarial Function Report therefore there have been no material changes in technical provisions due to underlying changes in the assumptions.

In relation to the standard formula, the following should also be considered;

1. The Company has not made any volatility adjustment
2. The Company has not used the transitional risk-free rate
3. The Company has not made any transitional deductions

Impact of Reinsurance on Technical Provisions

The impact of reinsurance under SII valuation principles is to reduce the Company's Gross Technical Provisions by EUR 35,702k (2021: EUR 15,618k).

Effectiveness of reinsurance arrangements

The Company's "Reinsurance and Other Risk Mitigation Techniques" Policy, dated 7 November 2022, refers to the below key principle:

- That the reinsurance programme provides cover appropriate to the Company's level of capital, risk profile, business strategy and risk appetite statement.

It is noted that: "The use of reinsurance is to maintain underwriting risk within the Company's approved risk tolerance levels. The Board were satisfied with the effectiveness of the reinsurance arrangements in place.

It is also noted that, the Yara Group could purchase insurance directly from the market and therefore the use of the Company for the provision of insurance services is a conscious decision made in order to improve the efficiency of the risk management process within the Group by using a Company vehicle and provide access to reinsurance markets.

Matching Adjustments, Volatility Adjustments and Transitional Measures

The Company has no matching adjustments, volatility adjustments or transitional measures as at the reporting period.

The Company does not apply the matching adjustment referred to in Article 77b of Directive 2009/138/EC.

The Company does not use the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.

The Company does not apply the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.

The Company does not apply the transitional deduction referred to in Article 308d of Directive 2009/138/EC.

D.3 Other Liabilities

Valuation of liabilities per Class of Liability

Recognition

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangement entered into.

Initial measurement

All financial liabilities are initially measured at transaction price.

Material Differences in the above used for valuation in Financial Statements

Under Solvency II, the balance sheet is required to be valued on a “best estimate” discounted cash flow basis. There is no differentiation between the valuation of the other liabilities under FRS financial statements and Solvency II valuation with the exception of unexpired reinsurance payables that are considered as part of the calculation of technical provisions as opposed to being subject to counterparty default risk under Solvency II.

LIABILITIES	2022
	EUR
Provisions other than technical provisions	13,750,948
Reinsurance payables	47,029
Any other liabilities, not elsewhere shown	740,349
Total	14,538,326

LIABILITIES	2021
	EUR
Provisions other than technical provisions	12,177,009
Reinsurance payables	86,831
Any other liabilities, not elsewhere shown	1,543,690
Total	13,807,530

D.4 Alternative methods for valuation

No alternative methods for valuation are utilised.

D.5 Any other Information

None.

E: Capital Management

E.1 Own Funds

Objectives, Policies and Processes for Management of Own Funds

The Own Funds are managed in accordance with the Company's Capital Management Policy and the main objective is continuously maintaining the SCR coverage using a time horizon of three years in accordance with the ORSA. There have been no material changes to the Capital Management Policy, its main objective or the length of the business planning period, over the course of the reporting period. Any change in the policy is reserved for the Board of the Company.

Structure, Amount and Quality of Own Funds

The Company has Tier 1 unrestricted own funds composed of ordinary share capital and retained earnings.

The table below sets out the Company's Pillar I capital position as at the current and prior financial year-end:

Composition	2022 EUR		2021 EUR	
	Available Capital	Eligible Capital	Available Capital	Eligible Capital
Tier 1 unrestricted	85,361,033	85,361,033	93,308,897	93,308,897
Tier 1 restricted	-	-	-	-
Tier 2 basic	-	-	-	-
Tier 2 ancillary	-	-	-	-
Tier 3	-	-	349,111	349,111
Total	85,361,033	85,361,033	93,658,008	93,658,008

SCR and MCR Cover

The Company's targeted SCR coverage is currently set at 120% of the Pillar 1 SCR. On an annual basis and having regard to the results of stress tests applied to projections over the three-year planning period, the Board will consider whether a dividend should be paid to remit any surplus capital above this target or if an intercompany loan should be incepted.

At the reporting date, no dividends have been declared or paid to Group and no intercompany loans have been affected.

The following tables depict the SCR and MCR coverage for the current and prior reporting periods:

2022				
Solvency	Capital Requirement	Eligible Capital	Solvency Ratio	MCR as % SCR
SCR	52,595,674	85,361,033	162%	25%
MCR	13,148,919	85,361,033	649%	-

2021				
Solvency	Capital Requirement	Eligible Capital	Solvency Ratio	MCR as % SCR
SCR	36,345,924	93,658,008	258%	25%
MCR	9,086,481	93,308,897	1027%	-

Shareholder's Equity versus Excess of Assets Over Liabilities

The difference between the Company's equity as shown in its audited financial statements and the excess of assets over liabilities, as calculated for solvency II purposes, is called Reconciliation Reserve and is composed of:

- the difference between the technical provisions calculated in accordance with Solvency II valuation principles; and
- the reclassification of the premium receivable balance (in respect of unexpired policies) from being an asset to being netted against the Premium Provision component of Technical Provisions for the purposes of Solvency II.

Reconciliation of Basic Own Funds to Equity as per Financial Statements as at 31 December	2022	2021
	EUR	EUR
Solvency II – Excess Assets Over Liabilities	85,361,033	93,658,008
Financial Statements – Shareholder's Equity	85,295,190	96,101,782
Difference:	65,843	(2,443,774)
<u>Represented by:</u>		
Difference between Net Technical Provisions and BEL	1,833,041	1,296,509
Risk Margin – Non-Life	(2,977,263)	(2,135,672)
Deferred Acquisition Costs	-	(245,010)
Adjustment to Deferred Tax	(9,406)	349,111
Net Premium Adjustment and reinsurance recoverable	1,219,471	(1,708,711)
Difference:	65,843	(2,443,774)

Transitional Arrangements

None of the Company's own funds are subject to the transitional arrangements referred to in Articles 308b(9) and 308b(10) of Directive 2009/138/EC.

Ancillary Own Funds

There are no ancillary own funds items.

Deductions and Restrictions

No deductions are applied to own funds and there are no significant restrictions affecting their availability and transferability.

Deferred Taxes

A deferred tax liability in the amount of EUR 9,406 (2021: deferred tax asset EUR 349,111) has been calculated as a result of the revaluation of the Company's assets and liabilities applying Solvency II valuation principles. The full deferred tax liability has been recognised on the Company's Solvency II Balance Sheet for the current reporting period.

The Company is not carrying any deferred tax assets at the valuation date.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Requirements for the Reporting Period

The Minimum Capital Requirement ("MCR") and SCR are calculated using the standard formula.

The Company has achieved SCR coverage of 162% (2021: 258%) and MCR coverage of 649% (2021: 1,027%) as at 31 December 2022.

SCR Risk Modules

The table below shows the SCR components by risk module (using the Standard Formula) at 31 December 2022:

SCR Overview	EUR 2022	EUR 2021
Market Risk	4,661,205	3,867,657
Counterparty Default Risk	18,015,527	14,837,775
Health underwriting risk	-	-
Non-life underwriting risk	42,788,281	29,529,508
Diversification	(9,880,069)	(7,848,543)
Basic Solvency Capital Requirement	55,584,944	40,386,397
Operational Risk	2,372,074	1,128,746
Loss Absorbing Capacity of Deferred Taxes	(5,361,344)	(5,169,218)
Solvency Capital Requirement	52,595,674	36,345,925

Simplifications

Simplified calculations are not used for any of the risk modules or sub-modules.

Undertaking-Specific Parameters

The Company does not use undertaking specific parameters in its computation.

MCR Inputs

The Minimum Capital Requirement is calculated using the Standard Formula specifications.

The table below shows the inputs into the MCR calculation as at the current and prior reporting period:

MCR Overview	EUR 2022	EUR 2021
Linear MCR	5,660,506	2,979,517
SCR	52,595,674	36,345,924
MCR cap	23,668,054	16,355,666
MCR floor	13,148,919	9,086,481
Combined MCR	13,148,919	9,086,481
Absolute floor of the MCR	4,000,000	3,700,000
Minimum Capital Requirement	13,148,919	9,086,481

Material Changes to SCR and MCR

The observed changes to the Solvency Capital Requirement and to the Minimum Capital Requirement over the reporting period are predominately as a result of claims experience.

Loss-Absorbing Capacity of Deferred Taxes (“LACDT”)

The SCR has been adjusted for LACDT in the amount of EUR 5,361,343 (2021: EUR 5,169,218).

The Company has determined a level of probable future taxable profits aligned to its Own Risk and Solvency Assessment, which demonstrates future utilisation of the proportion of loss-absorbing capacity of deferred taxes being applied.

As a proportion of the instantaneous loss, as defined in Article 207(1), the Company’s LACDT represents 10.2% (2021: 14.2%). The assumptions deployed in the projection of possible future taxable profits are aligned to the Company’s business strategy over its planning period; as detailed in the Company’s ORSA.

E.3 Use of duration-based equity risk Sub module in SCR calculation

The Company does not hold any liabilities that require this approach; therefore, this is not applicable for the Company.

E.4 Internal Model Information

The Company applies the Standard Formula model and does not use an internal model to calculate the Solvency Capital Requirement.

E.5 Non-Compliance with MCR and SCR during the period

The Company was compliant at all times with the MCR and SCR requirements during the reporting period.

E.6 Any Other Information

None.

Yara Insurance DAC

Solvency and Financial Condition Report

Disclosures

31 December

2022

(Monetary amounts in EUR thousands)

General information

Undertaking name	Yara Insurance DAC
Undertaking identification code	635400MTCFVYZVZBA56
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	IE
Language of reporting	en
Reporting reference date	31 December 2022
Currency used for reporting	EUR
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02
Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	0
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	0
R0120	<i>Equities - unlisted</i>	0
R0130	<i>Bonds</i>	0
R0140	<i>Government Bonds</i>	0
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	0
R0190	<i>Derivatives</i>	0
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	35,702
R0280	<i>Non-life and health similar to non-life</i>	35,702
R0290	<i>Non-life excluding health</i>	35,702
R0300	<i>Health similar to non-life</i>	0
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0320	<i>Health similar to life</i>	
R0330	<i>Life excluding health and index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	19
R0370	Reinsurance receivables	1,124
R0380	Receivables (trade, not insurance)	0
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	141,790
R0420	Any other assets, not elsewhere shown	3,293
R0500	Total assets	181,927

S.02.01.02
Balance sheet

		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	82,046
R0520	<i>Technical provisions - non-life (excluding health)</i>	82,046
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	79,069
R0550	<i>Risk margin</i>	2,977
R0560	<i>Technical provisions - health (similar to non-life)</i>	0
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	0
R0590	<i>Risk margin</i>	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	<i>Technical provisions - health (similar to life)</i>	0
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	13,751
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	9
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	586
R0830	Reinsurance payables	19
R0840	Payables (trade, not insurance)	0
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	0
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	154
R0900	Total liabilities	96,566
R1000	Excess of assets over liabilities	85,361

Premiums, claims and expenses by line of business

[illegible]

S.05.02.01

Premiums, claims and expenses by country

Non-life

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
		NL	NO	AU	FI	DE	
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business		7,667	6,263	3,544	3,088	2,696	23,258
R0120 Gross - Proportional reinsurance accepted		83	1,075	38	174	54	1,424
R0130 Gross - Non-proportional reinsurance accepted							0
R0140 Reinsurers' share		4,731	3,970	2,185	1,940	1,668	14,494
R0200 Net	0	3,019	3,368	1,397	1,323	1,081	10,188
Premiums earned							
R0210 Gross - Direct Business		7,625	6,229	3,525	3,071	2,681	23,131
R0220 Gross - Proportional reinsurance accepted		79	1,024	36	166	52	1,357
R0230 Gross - Non-proportional reinsurance accepted							0
R0240 Reinsurers' share		4,797	4,026	2,216	1,967	1,692	14,698
R0300 Net	0	2,907	3,227	1,345	1,270	1,041	9,790
Claims incurred							
R0310 Gross - Direct Business		6,896	5,634	3,188	2,778	2,425	20,920
R0320 Gross - Proportional reinsurance accepted							0
R0330 Gross - Non-proportional reinsurance accepted							0
R0340 Reinsurers' share		3,650	2,982	1,688	1,470	1,284	11,074
R0400 Net	0	3,246	2,651	1,500	1,307	1,141	9,846
Changes in other technical provisions							
R0410 Gross - Direct Business							0
R0420 Gross - Proportional reinsurance accepted							0
R0430 Gross - Non-proportional reinsurance accepted							0
R0440 Reinsurers' share							0
R0500 Net	0	0	0	0	0	0	0
R0550 Expenses incurred		161	131	74	65	56	487
R1200 Other expenses							
R1300 Total expenses							487

Non-Life Technical Provisions

Non-Life Technical Provisions

Non-Life insurance claims

Total Non-life business

Accident year / underwriting year	Underwriting Year
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Gross Claims Paid (non-cumulative) (absolute amount)															
Year	Development year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180	
		0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)	
R0100	Prior												105	105	105
R0160	2013	896	10,268	1,112	6,767	0	0	0	0	0	0		0	19,043	
R0170	2014	8,717	10,726	91	0	0	0	0	0	0			0	19,534	
R0180	2015	1,442	11,391	4	0	0	0	0	0				0	12,837	
R0190	2016	3,253	4,060	12	3,191	31	-1,059	0					0	9,488	
R0200	2017	9,203	28,420	6,284	5,068	419	237						237	49,632	
R0210	2018	171	1,410	2,112	-6	85							85	3,772	
R0220	2019	203	2,211	3,206	182								182	5,803	
R0230	2020	43	170	202									202	415	
R0240	2021	53	119										119	172	
R0250	2022	74											74	74	
R0260													Total	1,005	120,874

Gross Undiscounted Best Estimate Claims Provisions (absolute amount)												
	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360 Year end (discounted data)
Year	0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											0
R0160	2013	0	0	0	19	3	0	0	0	0	0	0
R0170	2014	0	0	60	5	0	0	0	0			0
R0180	2015	0	472	12	0	0	0	0				0
R0190	2016	8,783	3,212	3,897	845	865	1,084					1,066
R0200	2017	48,925	11,652	5,747	3,257	2,032	100					97
R0210	2018	6,998	3,684	1,000	839	436						422
R0220	2019	38,238	21,627	20,311	20,743							20,420
R0230	2020	6,548	643	431								415
R0240	2021	6,595	2,000									1,941
R0250	2022	55,603										54,695
R0260	Total											79,056

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Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above

R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

R0230 Deductions for participations in financial and credit institutions

R0290 Total basic own funds after deductions

Ancillary own funds

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Available and eligible own funds

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

Reconciliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	Reconciliation reserve

Expected profits

R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
1,000	1,000		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
84,361	84,361			
0		0	0	0
0		0	0	0
0	0	0	0	0

0				
0				
85,361	85,361	0	0	0

0		0	
0		0	
0		0	0
0		0	0
0		0	
0		0	0
0		0	
0		0	0
0		0	0
0		0	0

85,361	85,361	0	0	0
85,361	85,361	0	0	
85,361	85,361	0	0	0
85,361	85,361	0	0	

52,596
13,149
162.30%
649.19%

C0060
85,361
0
0
1,000
0
84,361

0

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Solvency Capital Requirement - for undertakings on Standard Formula

R0010	Market risk
R0020	Counterparty default risk
R0030	Life underwriting risk
R0040	Health underwriting risk
R0050	Non-life underwriting risk
R0060	Diversification

R0070 Intangible asset risk

R0100 Basic Solvency Capital Requirement

Calculation of Solvency Capital Requirement

R0130	Operational risk
R0140	Loss-absorbing capacity of technical provisions
R0150	Loss-absorbing capacity of deferred taxes
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC
R0200	Solvency Capital Requirement excluding capital add-on
R0210	Capital add-ons already set
R0220	Solvency capital requirement

Other information on SCR

R0400	Capital requirement for duration-based equity risk sub-module
R0410	Total amount of Notional Solvency Capital Requirements for remaining part
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios
R0440	Diversification effects due to RFF nSCR aggregation for article 304

Approach to tax rate

R0590 Approach based on average tax rate

Calculation of loss absorbing capacity of deferred taxes

R0640	LAC DT
R0650	LAC DT justified by reversion of deferred tax liabilities
R0660	LAC DT justified by reference to probable future taxable economic profit
R0670	LAC DT justified by carry back, current year
R0680	LAC DT justified by carry back, future years
R0690	Maximum LAC DT

Gross solvency capital requirement	USP	Simplifications
C0110	C0090	C0120
4,661		
18,016		
0		
0		
42,788		
-9,880		
0		
55,585		
C0100		
2,372		
0		
-5,361		
0		
52,596		
0		
52,596		
0		
0		
0		
0		
0		
C0109		
Yes		
LAC DT		
C0130		
-5,361		
0		
-5,361		
0		
0		
-5,361		

USP Key

For life underwriting risk:

- 1 - Increase in the amount of annuity benefits
- 9 - None

For health underwriting risk:

- 1 - Increase in the amount of annuity benefits
- 2 - Standard deviation for NSLT health premium risk
- 3 - Standard deviation for NSLT health gross premium risk
- 4 - Adjustment factor for non-proportional reinsurance
- 5 - Standard deviation for NSLT health reserve risk
- 9 - None

For non-life underwriting risk:

- 4 - Adjustment factor for non-proportional reinsurance
- 6 - Standard deviation for non-life premium risk
- 7 - Standard deviation for non-life gross premium risk
- 8 - Standard deviation for non-life reserve risk
- 9 - None

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

5,661

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
C0020	C0030
0	0
0	0
0	0
0	0
0	0
3,019	2,338
39,212	14,528
1,136	990
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0

R0020	Medical expense insurance and proportional reinsurance
R0030	Income protection insurance and proportional reinsurance
R0040	Workers' compensation insurance and proportional reinsurance
R0050	Motor vehicle liability insurance and proportional reinsurance
R0060	Other motor insurance and proportional reinsurance
R0070	Marine, aviation and transport insurance and proportional reinsurance
R0080	Fire and other damage to property insurance and proportional reinsurance
R0090	General liability insurance and proportional reinsurance
R0100	Credit and suretyship insurance and proportional reinsurance
R0110	Legal expenses insurance and proportional reinsurance
R0120	Assistance and proportional reinsurance
R0130	Miscellaneous financial loss insurance and proportional reinsurance
R0140	Non-proportional health reinsurance
R0150	Non-proportional casualty reinsurance
R0160	Non-proportional marine, aviation and transport reinsurance
R0170	Non-proportional property reinsurance

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

0

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
C0050	C0060

R0210	Obligations with profit participation - guaranteed benefits
R0220	Obligations with profit participation - future discretionary benefits
R0230	Index-linked and unit-linked insurance obligations
R0240	Other life (re)insurance and health (re)insurance obligations
R0250	Total capital at risk for all life (re)insurance obligations

Overall MCR calculation

C0070

R0300	Linear MCR
R0310	SCR
R0320	MCR cap
R0330	MCR floor
R0340	Combined MCR
R0350	Absolute floor of the MCR
R0400	Minimum Capital Requirement

5,661
52,596
23,668
13,149
13,149
4,000
13,149