



**Solvency and Financial Condition Report ("SFCR") for
the financial year ended 31 December 2023**

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Executive Summary

The harmonized EU-wide regulatory regime for Insurance Companies, known as Solvency II, came into force on 1st January 2016. The regime required new reporting and public disclosure arrangements to be put in place by (re)insurers. This document is the eighth annual Solvency and Financial Condition Report ("SFCR") prepared by NEIL Overseas dac ("the Company")

This report describes the Business and Performance of the Company, its system of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

Company Background

NEIL Overseas dac is a company incorporated in Ireland and authorised by the Central Bank of Ireland to carry out the following classes of non-life insurance business:

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

The Company is a wholly owned subsidiary of Nuclear Electric Insurance Limited (NEIL), a company incorporated in Bermuda and also the ultimate parent company.

The Company was granted authorisation to carry on insurance business by the Minister for Enterprise and Employment, with effect from 8 December 1998.

The Company's principal activity during the financial year was insurance underwriting for nuclear power stations in the European Union. The Company's secondary activity during the financial year was insurance underwriting in support of specialty insurance programs of the Nuclear Insureds of the Company, who are Members of NEIL. The Company also participates on non-member programs, which typically support the Nuclear and Power Industries. The Company underwrites policies for property and business interruption coverage along with some liability cover.

Business and Performance

The Company had a profit on its technical account non-life insurance business of US\$ 6,783,000 (2022 profit: US\$ 1,053,000).

The directors consider the level of business and the financial position of the Company to be satisfactory.

The Company's assets are prudently invested, providing access to funds at short notice taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

System of Governance

The Company is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings ("The Code"). The corporate governance principles of the Company are implemented via the following Corporate Governance Framework:

- Board of Directors
- Board Sub-Committees
- Internal Control Framework
- Risk Management Framework
- Compliance Function
- Audit – Internal & External
- Outsourced Service Providers

The Board of Directors, critical functions and the audit and risk committees in place at 31 December are as follows:

Name	Status on Board	Membership and Status on Board and Sub-Committees	PCF
B. Sassi	NED/Chair	Chair of BOD, Member of Risk Committee	PCF-2A & PCF-3
S. Woods	ED	Member of BOD, Risk Committee	PCF-1, 8, 11 & 18
I. Britchfield	INED	Member of All, Chair of the Risk Committee	PCF-2B & PCF-5
R. Mays	NED	Member of All	PCF-2A
G. Blackburn	NED	Member of All	PCF-2A
R. Frewen	INED	Member of All	PCF-2B
R. Sullivan	INED	Member of All, Chair of the Audit Committee	PCF-2B & PCF-4

The Company adopts three lines of defence in managing its risks which are outlined under section B.3.3 of this report.

Outsourced Activities

The following is a list of the critical or important outsourced operational functions together with the jurisdiction in which the service providers of such functions or activities are located:

Service Outsourced	Jurisdiction
Internal Audit (concurrent with NEIL Services)	USA
Head of Internal Audit	USA
Head of Actuarial Function	EU
Solvency II QRT preparation and SCR calculations	EU
Investment Managers (concurrent with NEIL Services)	EU
Support with key activities including Underwriting and Claims support	USA

Risk Profile

The following table outlines the material risks to which the Company is exposed as well as the undiversified capital charge associated with the risks.

Risk	Capital Charge US\$ '000
Market Risk	29,899
Counterparty Default Risk	55,432
Non-Life Underwriting Risk	13,374

These risks are described in further detail in Section C of this report.

Valuation for Solvency Purposes

The Company's assets and liabilities, under Solvency II methodology, are valued on a fair value basis. This differs in some respects from the GAAP valuations for financial statements. In particular, the technical provisions for the Solvency II balance sheet represent the present value of future claim payments. A risk margin is also included in technical provisions, which represents the cost of holding the solvency capital requirement. Section D of this report shows the comparison between the Solvency II balance sheet and the Financial Statements.

Capital Management

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. As part of own funds management, the Company prepares ongoing annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the basis of the ORSA contains a five-year projection of funding requirements and helps focus actions for future funding.

The Company is a single shareholder entity, whose ordinary shares are fully paid up. It has no debt financing, nor does it have plans to raise debt or issue new share capital over the five-year time horizon used for business planning.

The Company has also received \$72 million in capital contributions since its inception. These contributions are irrevocable, non-refundable and will not result in a grant by the Company of any rights or the assumption by the Company of any obligations to the parent or any third party. These capital contributions have been approved by the CBI as Tier 1 Own Funds as per the Solvency II Directive.

At the end of 2023, the Company had a surplus of assets over liabilities of US\$113.7 m on a Solvency II valuation basis. This compares to a SCR requirement of US\$78.4 m and indicates a solvency cover ratio of 145%. The MCR coverage ratio is 577%.

Significant Events

The Company completed a review of its exposure and sanctions compliance for geopolitical events and confirmed no nuclear exposure and limited exposure on non-nuclear business, which is covered by robust sanction clauses. The impact of geopolitical events continues to be closely monitored.

A. BUSINESS AND PERFORMANCE

A.1 Business and Performance

A.1.1 Name and legal form of the undertaking

NEIL Overseas dac (the "Company") is incorporated in the Republic of Ireland and is a private company limited by shares.

A.1.2 Name of the Supervisory Authority responsible for the financial supervision of the undertaking

The Company is regulated by the Central Bank of Ireland (CBI). The CBI can be contacted at: Central Bank of Ireland, PO Box 559, New Wapping Street, North Wall Quay, Dublin 1, Ireland.

A.1.3 External Auditor of the Undertaking

The independent auditors of the Company are:

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, Deloitte & Touche House, Earlsfort Terrace, Dublin 2, Ireland.

A.1.4 Holders of Qualifying Holdings in the Undertaking

The Company is wholly owned by NEIL, a company incorporated in Bermuda.

A.1.5 Legal Structure of the Group

NEIL is also the ultimate parent company.

A.1.6 Material Lines of Business and Geographical Areas

The Company's principal activity is underwriting for nuclear power plants in the European Union. Policies are available for both property and business interruption (accidental outage) coverage. The Company's secondary activity is providing underwriting support for specialty insurance programs of the Nuclear Insureds of the Company, who are Members of NEIL. The Company also participates on non-member programs, which typically support the Nuclear and Power Industries. The Company underwrites policies for property and business interruption coverage along with some liability cover.

The material geographical areas are primarily member states of the European Union and for the purposes of capital reporting these are categorised as Region 2 (Western Europe) and Region 4 (South Europe). Secondary geographical areas include Canada, South and Central America, the Middle East, Asia and Oceania.

A.1.7 Significant Business Events During the Reporting Period

No material events occurred during the year that would merit disclosure.

A.2 Underwriting Performance

The premium income written by the Company was principally derived from the coverage of all the nuclear power plants in both Belgium and Spain. In Belgium, the plants are owned by

Electrabel, the Belgian utility. In Spain, the plants are owned by the Spanish utilities of Endesa, Iberdrola, Naturgy, Nuclenor and EDP España.

The insurance of nuclear power plants is a specialised undertaking with a risk profile of losses being of low frequency but high severity. The Company insures nuclear plants and their generating units for: 1) the costs associated with certain long-term interruptions of electric generation due to accidental physical damage to insured sites; 2) decontamination expenses incurred at such sites arising from nuclear contamination; and 3) other risks of direct physical loss at such sites, including certain premature decommissioning costs under the Company's programs. The claims arising in 2023 are typical of the nature of the risk as described above which occur in the normal course of business.

Additional premium income written by the Company is derived from coverage provided in support of the specialty insurance programs of Insureds of the Company who are Members of NEIL. This coverage is provided primarily on a quota share basis, in conformity with the specialty property programs and liability programs, and normally follows the terms and condition of the lead insurer.

Additional premium is also earned through participation on non-Member programs, which typically support the Nuclear and Power Industries.

The Company has entered into an excess of loss reinsurance agreement with its parent, NEIL. The Company has an annual aggregate retention of US\$10M with losses above this being ceded to NEIL. Within this agreement, the Company is also a Named Insured on excess of loss treaties that NEIL has executed with commercial markets.

The Company currently writes the following lines of business: Property Damage and Business Interruption (Accidental Outage) risks (Classes 8 & 9), for the purposes of capital reporting this is categorised as Fire and Other Damage to Property insurance. The Company also writes Excess Liability and Cyber Liability (Class 13), for the purposes of capital reporting this is categorised as General Liability insurance.

The Company has determined that the US\$ is the functional currency.

The Company had a profit on its technical account non-life insurance business of US\$ 6,783,000 (2022 profit: US\$ 1,053,000).

The table below shows a summary of the technical (underwriting) account for the year ended 31 December 2023 (based on Irish GAAP):

Fire and Other Damage to Property & General Liability	31/12/2023	31/12/2022
	US\$'000	US\$'000
Gross premiums – Fire Damage & Other Property	42,415	41,542
Gross premiums – General Liability	2,331	2,099
Reinsurers' share of premiums	(32,735)	(28,591)
Net claims incurred	(9,705)	(5,964)
Net operating expenses	(1,038)	(3,546)
Allocated Investment gain / (loss)	5,515	(4,487)
Balance on the technical account	6,783	1,053

The increase in the balance on the technical account from 2022 to 2023 is due to an increase in investment income.

A.3 Investment Performance

A.3.1 Income and Expenses Arising by Asset Class

The Company has an investment strategy which complies with the requirements of “the prudent person principle”.

As at 31 December 2023 the Company's investment portfolio comprised the following asset classes (based on Irish GAAP):

Asset Class	31/12/2023		31/12/2022	
	Amount US\$'000	% of portfolio	Amount US\$'000	% of portfolio
Equities	28,061	19%	23,585	19%
Fixed Income Securities	109,011	75%	95,986	77%
Cash Deposits	8,526	6%	5,190	4%
Derivatives	5	0%	-	0%
Total	145,603	100%	124,761	100%

The table below sets out the investment returns by asset class (based on Irish GAAP):

Equities	31/12/2023	31/12/2022
	Total US\$'000	Total US\$'000
Net investment income	354	321
Net investment expense	-	-
Net realised gain / (loss)	(112)	(253)
Foreign exchange gain / (loss)	-	-
Unrealised gain/(loss) on investment	5,818	(5,223)
Impairment	-	-
Net investment result	6,060	(5,155)

Debt securities and other fixed income securities	31/12/2023	31/12/2022
	Total US\$'000	Total US\$'000
Net investment income	3,574	2,302
Net investment expense	(148)	(114)
Net realised gain / (loss)	(779)	(892)
Foreign exchange gain / (loss)	172	246
Unrealised gain/(loss) on investment	4,108	(6,757)
Impairment	-	-
Net investment result	6,927	(5,215)

Derivatives	31/12/2023	31/12/2022
	Total US\$'000	Total US\$'000
Net investment income	(123)	(628)
Net investment expense	-	-
Net realised gain / (loss)	-	-
Foreign exchange gain / (loss)	-	-
Unrealised loss on investment	-	-
Impairment	-	-
Net investment result	(123)	(628)

The Company had net gains from investment activity of US\$12,864,000 (2022 loss: US\$10,998,000). The full year return of the portfolio was +10.1% (2022: -8.7%), outperforming the benchmark by 8 bps (net of fees).

A.3.2 Gains and Losses Recognised Directly in Equity

No gains and losses have been recognised directly in equity.

A.3.3 Investment in Securitisation

Structured products represent less than 2% of the total portfolio. U.S. Treasury futures are used to adjust duration. No leverage is used otherwise.

A.4 Performance of Other Activities

- A.4.1 There have been no other significant activities undertaken by the company other than its insurance and related activities.

The Company leases office space under an operating lease, which expires in September 2033.

A.5 Any Other Information

There are no other material matters in respect of the business and performance of the Company.

B. SYSTEM OF GOVERNANCE

B.1 General Information on The System of Governance

B.1.1 Roles and responsibilities of the administrative, management or supervisory body and key functions.

The Company is classified as a Low impact firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM or Probability Risk and Impact System™. The company has a requirement to comply with the provisions of the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015 ("The Code").

Board of Directors:

The composition of the Board of Directors at 31st December was as follows:

Name	Status on Board	Membership and Status on Board and Sub-Committees	PCF
B. Sassi	NED/Chair	Chair of BOD, Member of the Risk Committee	PCF-2A & PCF-3
S. Woods	ED	Member of BOD, Member of the Risk Committee	PCF-1, 8, 11 & 18
I. Britchfield	INED	Member of All Chair of the Risk Committee	PCF-2B, PCF-5
R. Frewen	INED	Member of All	PCF-2B
R. Sullivan	INED	Member of All Chair of the Audit Committee	PCF-2B, PCF-4
G. Blackburn	NED	Member of All	PCF-2A
R. Mays	NED	Member of All	PCF-2A

The responsibilities of the Board include:

- Ensuring the effective, prudent and ethical oversight of the business
- Setting the business strategy and risk appetite
- Ensuring that risk and compliance are effectively managed in the Company
- Ensuring that the solvency capital requirements and minimum capital requirements are maintained at all times

Sub-Committees:

The following sub-committees have been established:

- Audit Committee

The Audit Committee is responsible for assisting the Board in terms of the financial reporting processes, internal controls, performance of the internal and external audit processes and any other matters that may impact the financial results of the Company.

The Committee meets at least four times a year and the Chair of the Committee is an independent Non-Executive Director.

- Risk Committee

The Risk Committee is responsible for assisting the Board in discharging its responsibilities for:

- The effectiveness of the Company's risk management systems
- The implementation and maintenance of the Company's risk strategy
- Solvency II oversight
- Investment issues oversight
- Timely reporting of material deviations from the defined risk appetite
- Monitoring the effectiveness and independence of the Risk Management Function

The Committee meets at least four times a year and the Chair of the Committee is an independent Non-Executive Director.

Independent Control Functions:

The Company has established the four key control functions in line with Solvency II requirements – risk management, compliance, actuarial, and internal audit. These functions, each possessing distinct responsibilities, are tasked with providing oversight of and challenge to the business and for providing assurance to the Board in relation to the Company's control framework.

- Risk Management Function

The role of the Company's risk management function is to identify and evaluate the major risks facing the Company and to facilitate the implementation of the risk management system. The Board of Directors has appointed a Chief Risk Officer to undertake this role. The roles and responsibilities of the risk management function are set out within the Risk Management Policy.

- Compliance Function

In order to effectively monitor and report on the Company's requirement to comply with all applicable laws and regulatory requirements the Board of Directors has appointed a Compliance Officer to undertake this role. The roles and responsibilities of the Compliance Officer are set out within the Compliance Policy. The Compliance Officer reports to the Board.

- Actuarial Function

The role of the Head of Actuarial Function ("HoAF") is outsourced to Willis Towers Watson. The HoAF ensures compliance with Solvency II obligations and reports to the Board.

- Internal Audit Function

The Head of Internal Audit role is undertaken by the Group Controller, with Internal Audit support provided by PricewaterhouseCoopers under an outsourcing agreement. The scope of internal audit activities includes the examination and evaluation of the effectiveness of the internal control, risk management, governance systems and processes of the entire licensed entity, including the Company's outsourced activities. The Internal Audit function reports to the Audit Committee.

B.1.2 Material changes in the system of governance that have taken place over the reporting period.

- Board of Directors

There were no changes in the composition of the Board since the last report.

- Audit Committee

There were no changes in the composition of the Audit Committee since the last report.

- Risk Committee

There were no changes in the composition of the Risk Committee since the last report.

- Other PCF roles

Jeremiah Waugh was appointed as Head of Claims for the Company on 18 October 2023. Stephen Woods resigned from this position on the same date.

B.1.3 Remuneration policy for the administrative, management or supervisory body and employees

- B.1.3.1** The objective of the Company's Remuneration policy is to provide principles and guidelines for the Board and employees in the implementation of the Company's remuneration practices and procedures.

The Company achieves this through a robust performance management practice, which ensures equitable and, where appropriate, competitively benchmarked pay levels with incentives geared to agreed performance outcomes.

The variable remuneration potential for senior staff and directors is currently limited within the range of 15-50% of basic salary, this measure is in place to promote sound and effective risk management and discourage excessive risk.

- B.1.3.2** Information on the individual and collective performance criteria on which any entitlement to share options, shares or variable components of remuneration is based.

The Company maintains an Annual Incentive Compensation Plan to reward performance each year. The incentive award is based upon the degree of achievement of department and overall company objectives for the plan period as measured by the Company's Balanced Scorecard result. The Company does not currently operate a share or share option scheme.

- B.1.3.3** Main characteristics of supplementary pension or early retirement schemes for the members of the administrative, management or supervisory body and other key function holders.

The Company has a defined contribution pension plan, with contributions made by the employer.

The Company pays Pension scheme contributions of a percentage of basic salary for eligible employees. A similar contribution is also allowed on annual or short-term bonus incentives.

An employee who is at least 18 years or older, becomes a plan participant on the first day of the month following the employee's completing one year of service with the Company.

Employees may contribute AVCs (Additional Voluntary Contributions) which can be a fixed amount or percentage of salary. These payments are a tax-efficient way of saving.

There are no early retirement schemes currently in place at the Company.

- B.1.3.4** Material transactions during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body.

Other than the excess of loss reinsurance agreement with NEIL and payment for services for those outsourced functions set out in section B.7 of this report; there were no material transactions with the Shareholder, with persons who exercise a significant influence on the undertaking and with members of the administrative, management or supervisory body.

B.2 Fit and Proper Requirements

B.2.1 Requirements for skills, knowledge, and expertise

On 1 October 2010, Part 3 of the Central Bank Reform Act 2010 introduced a harmonised statutory system for the regulation by the CBI of persons performing Controlled Functions ('CFs') and Pre-Approval Controlled Functions ('PCFs') in regulated financial service providers.

On 1 December 2011, the CBI issued the Fitness & Probity Standards under Section 50 of the Central Bank Reform Act 2010 with which all persons performing Controlled Functions or Pre-Approval Controlled Functions should, at a minimum, comply.

Guidance for (Re)Insurance Undertakings on the Fitness & Probity Amendments 2015 further assist companies in complying with their obligations brought in by the Solvency II (European Union (Insurance and Reinsurance) Regulations 2015 S.I. 485 of 2015).

Further guidance on Guidance on Fitness and Probity Standards was issued in 2018, 2019 and 2020 to assist regulated financial service providers in complying with their obligations under the F & P Standards, by setting out the steps which the Central Bank would expect a regulated financial service provider to take in order to satisfy itself on reasonable grounds that persons performing CFs or PCFs are compliant with the F & P Standards.

The Central Bank (Individual Accountability Framework) Act 2023 (the IAF Act) was signed into law on 9 March 2023, the application of which will come into effect for firms on dates from 2023 to 2025. The IAF, along with setting out responsibilities and decision making and conduct standards within firms, will include enhancements to the current Fitness & Probity (F&P) Regime including enhanced due diligence and issue of annual certificates of compliance to PCF holders.

The Company has adopted a Fitness and Probity Policy (reviewed by the Board on an annual basis) with the purpose of ensuring that:

- persons holding key positions within the Company are assessed in terms of their fitness and probity in relation to a proposed role and on an ongoing basis
- effective procedures are in place to undertake this assessment
- the results of such an assessment are documented
- the Board is satisfied that it can conclude that persons holding key positions are fit and proper
- responsibility is assigned to ensure fitness and probity is monitored on a continuous basis
- approval is sought from the Central Bank of Ireland ('CBI') prior to the appointment of persons performing Pre-Approval Controlled Functions

B.2.2 Process for assessing the fitness and the propriety of the persons who effectively run the undertaking or have other key functions.

The Policy outlines the procedures that must be followed for assessing the fitness and probity of persons performing CFs and PCFS while also stipulating the requirements for instances when either of these functions are outsourced to a regulated or unregulated entity.

It also focuses on the documentation, controls and governance that are required to be in place to ensure compliance with the abovementioned Code and Regulations.

This is achieved in the main by means of internal checklists, documentary evidence of qualifications proving suitability for the role in question, references, regulatory authority, companies' office, bankruptcy, insolvency, and court judgement checks and self-certifications from the applicant in the form of Curricula Vitae and the CBI Individual Questionnaires.

B.3 Risk Management System Including the Own Risk and Solvency Assessment

B.3.1 Risk Management System

The Company uses the Standard Formula to assess the solvency and capital requirements.

The Company performs an Own Risk and Solvency Assessment ("ORSA") at least annually. The main purpose of performing the ORSA is to ensure that the Company engages in a process of assessing all risks inherent in the business and determining the corresponding capital needs.

In order to ensure effective risk governance, the risk management system has been designed to identify, assess, manage and monitor and report exposure to risk. This is an ongoing process that is subject to continuous review and development.

Planning

Risk Management is an integral part of the planning processes and is incorporated into the Company's long-range planning, annual business planning, and ongoing operational activities. While long-range plans (aka Strategic Plans) and Three-Year Business Plans are prepared at the Parent level, the Company's risk profile and Company specific business objectives are factored on an integrated basis into NEIL's Strategic Plan and Annual Business Planning processes.

Risk Identification and Assessment

Company specific Enterprise Risk Assessments (ERAs) are conducted to re-evaluate known risks and identify potential emerging risks. The Company's ERA approach is consistent with its Parent and includes the following components:

- Identification and creation of a key risk inventory
- Evaluation and prioritisation of risks
- Determination of risk response
- Review of the control environment

Those risks deemed most critical to the Company are summarised and monitored via the Risk Dashboard and Key Risk Indicators. Since ERA is a continuous process, risks are assessed during the quarterly review of the Risk Dashboard and KRIs while the ERA “heat map” is updated at least annually as part of the Company’s own risk assessment process. Findings from the ERA are integrated and considered in the preparation of an annual audit plan.

Measuring, Monitoring, Managing and Reporting Key Risks

The Risk Dashboard summarises the key risks identified during the ERA process and are supplemented by Key Risk Indicators (KRIs), which measure performance of individual risk elements in relation to defined tolerances.

The Risk Dashboard and KRIs are reviewed quarterly by Management, the Risk Committee and the Board and may be complemented with remediation plans and other information as appropriate. Risk monitoring and management is a continuous process and will be undertaken as conditions change and/or when new opportunities or material risks are identified. In the event of a material KRI deviation, Management will be notified within 24 hours of becoming aware of the deviation.

Major New Projects

Risk considerations shall be taken into account prior to all major new projects and reviewed regularly throughout the project lifecycle, with significant new risks reported to the Risk Committee and Board for further consideration as early as practicable. Project risk assessments shall be reviewed and updated by the Risk Owner at appropriate intervals. If circumstances change significantly at any time, a new risk assessment shall be performed to capture key changes and to re-evaluate material risks.

Financial Modelling & Analysis

Financial modelling and analysis is conducted on a regular basis in order to confirm capital adequacy, stress test the portfolio, and validate business assumptions. Capital adequacy is assessed utilising the Standard Formula, as well as forward looking capital forecasting models in support of the ORSA process. Stress testing of the portfolio under extreme adverse scenarios is conducted regularly in support of the ORSA and business planning processes.

Additional financial modelling and analysis may be conducted to evaluate the cost/benefit of alternative resources and review the economic analysis of primary risk transfer mechanisms (e.g., reinsurance, and retrospective premiums). Financial Modelling & Analysis is a continuous process and will be undertaken as conditions change and/or when new opportunities or material risks are identified.

B.3.2 Implementation of the Risk Management System

The Company recognises the need to have appropriate governance, monitoring and reporting processes and procedures which enable the Company to identify, assess, manage, monitor and report the risks it is or might be exposed to.

B.3.3 Implementation of the Risk Management Function

All staff in the Company and the wider NEIL group have responsibility for risk management. The risk management function is responsible for the oversight of the ongoing development of the risk management framework, strategy, related resource plan and making recommendations to the Board thereon. Appropriate internal reporting procedures and feedback loops ensure that information on the risk management framework is actively monitored and managed by all relevant functions and the Board.

The Board of Directors is ultimately responsible for the risk management framework and internal control, including approval of the Company strategy and business planning.

The Company adopts the “three lines of defence” governance model:

- 1st Line of Defence – Business Management:

The first line of defence is responsible for the day to day management of risk and control within the business operations as well as delivering the strategy and optimising business performance within an agreed governance and risk framework.

- 2nd Line of Defence – Oversight:

The second lines of defence functions are made up of the risk management function, the compliance function and the actuarial function. The risk management function is responsible for the oversight of the ongoing development of the risk management framework, strategy, related resource plan and making recommendations to the Board thereon.

The Compliance Function is recognised as a key part of the Company’s internal control system which should identify, assess, monitor and report on the compliance risk exposure of the Company. The Compliance Function also shares its responsibilities with other Company Functions that are responsible for their specific areas.

The role of the actuarial function is outsourced to a third party provider via the terms of a written Service Level Agreement (SLA). In addition to calculation of the technical provisions, the actuarial function is responsible for providing the Actuarial Opinion on Technical Provisions; the Actuarial Report on Technical Provisions; Opinions on Underwriting Policy, Reinsurance arrangements, and the ORSA process as well as an overall Actuarial Function Report.

- 3rd Line of Defence – Independent Assessment:

Internal Audit Function: The Board has established an Internal Audit Function that is an independent function within the Company with a remit to examine and evaluate the functioning, effectiveness and efficiency of the internal control system and other elements of the system of governance of the Company.

The Board includes three highly skilled and experienced independent Non-Executive Directors.

Further details on the composition and responsibilities of the Board are outlined in Section B.1.1.

The Audit Committee includes three highly skilled and experienced independent Non-Executive Directors.

Further details on the composition and responsibilities of the Audit Committee are outlined in Section B.1.1.

The Risk Committee is comprised of all Board Members.

Further details on the composition and responsibilities of the Risk Committee are outlined in Section B.1.1.

B.3.4 ORSA

B.3.4.1 ORSA Process

The Company prepares an ORSA on an annual basis and on an ad-hoc basis, if circumstances materially change. The objective of the ORSA process is to enable the Board to assess its capital adequacy in light of the assessments of its risks and the potential impacts of its risk environment, and to enable the Company to make appropriate strategic decisions.

In designing its ORSA, the Company incorporates its risks and their implications into short and long-term decision making. The assessment approach is conducted on an enterprise and integrated basis, and includes a Risk Appetite Statement, Risk Assessment, Capital Management and Business Strategy.

Primary components of the Company's ORSA include:

- Risk Philosophy/Framework: The Company, in conjunction with its Parent company NEIL, protects its financial strength and optimizes risk-adjusted returns by:
 - Managing risks within defined tolerance levels
 - Measuring risk in an integrated manner across underwriting, investment and operational exposures, and by
 - Maintaining well-defined reporting and governance processes

The Company's risk management framework seeks to identify, assess, measure, monitor and manage risks on an integrated basis as further outlined in its Risk Management Policy.

- **Governance Framework:** The Company's Governance Framework is designed to deliver an effective system of governance which provides for sound and prudent management of the business, while being scaled for the complexity of the company. The organisational structure allows for the effective transmission of information, and where possible, appropriate segregation of responsibilities. Governance policies are documented, approved by the Board, and regularly reviewed.

The Company's key governance and control documents are outlined in its Governance Framework. The Framework and supporting documents are available in the Company's Own Risk and Solvency Assessment (ORSA) resource library.

- **Enterprise Risk Identification and Assessment:** As detailed in the Company's Risk Management Policy, Enterprise Risk Assessments (ERAs) are conducted to evaluate known risks and identify potential emerging risks to the Company. The ERA process includes: identification and creation of a key risk inventory, evaluation and prioritization of risks, determination of risk response, and review of the control environment.

Findings from the ERA are integrated and considered in the preparation of the internal audit plan. Those risks deemed most critical to the Company are summarised in the Risk Matrix / Key Risk Indicators and presented in the Enterprise Risk Dashboard, which is updated quarterly.

- **Risk Appetite:** Appetites and tolerance limits for the risks identified are set by the Board, which provide a basis for allocating risk capacity against the Company's exposure to particular risk categories.
- **Capital Solvency (point-in-time/forecast/stress and scenario testing):** Financial modelling and analysis is conducted annually in order to confirm capital adequacy, stress test the portfolio, and validate business assumptions. Capital adequacy is assessed utilising the Standard Formula, as well as forward looking capital forecasting models in support of the ORSA and ORSA processes.

All solvency capital assumptions are to be consistent with the Company's current risk profile. Stress testing of the portfolio under adverse scenarios is conducted annually in support of the ORSA and in preparation for the ORSA and business planning process.

Additional financial modelling and analysis may be conducted to evaluate the cost/benefit of alternative resources and review the economic analysis of primary risk transfer mechanisms (e.g., reinsurance). Financial Modelling & Analysis is a continuous process and will be undertaken as conditions change

and/or when new opportunities or material risks are identified. The time horizon of the Company's forecast is set annually based on the company outlook and operating conditions. The stress scenarios are sufficient to provide an adequate basis for assessing the overall solvency needs and will involve a mixture of realistic and more extreme tests.

Reverse stress testing is completed to determine the adverse scenarios that could potentially cause a significant breach in the Company's own risk appetite tolerances.

- Forward Looking Capital Plan/Response to Stress Loss Scenarios: The Company's Capital Plan relies heavily on its well capitalised parent, and the parent's highly rated panel of third party reinsurers. The parent serves as the Company's primary reinsurer covering nuclear, non-nuclear and accidental outage losses. Based on this Capital Plan and the financial modelling conducted under stress scenarios, the Company verifies its ability to meet all policyholder coverage obligations, as well as 1-in-200 stress scenarios and other severe loss scenarios.
- Actuarial: The Company's Actuarial Charter further outlines the roles and responsibilities of its expert third party resources, including calculation of the Company's technical provisions and Standard Formula support.

The HoAF provides an annual actuarial opinion to the Board regarding the range of risks and the adequacy of the scenarios, including financial provisions, considered as part of each ORSA process.

- Reporting: A report is generated following the completion of every Own Risk and Solvency Assessment. The report will act as a record of each assessment. An internal report will be presented under the following headings:
 - Introduction
 - Method and Assumptions
 - Overall Solvency Needs
 - Conclusions and Action Plans
 - Review & Approval
 - Distribution

B.3.4.2 ORSA Review and Approval Process

The results and conclusions from each internal ORSA assessment report are reviewed and challenged by the Company Risk Committee and Board, which may result in revision and reworking of the report.

Once the Company Board approves the final draft of the assessment report, the Low/Medium-Low Risk own-risk and solvency assessment supervisory report

('ORSA supervisory report Low/Medium-Low') is submitted to the CBI within 2 weeks.

The final report is then circulated to all relevant Company and NEIL Group staff.

The results and conclusions from each ORSA are reviewed against relevant Company policies and procedures as part of the Risk Management Framework.

B.3.4.3 Statement explaining how the undertaking has determined its own solvency needs given its risk profile and how its capital management activities and its risk management system interact with each other.

The Company determines the solvency capital and assesses the overall solvency needs using the Solvency II Standard Formula.

A five year base case projection of the Solvency II Balance Sheets and Solvency Capital Requirements position is produced using the standard formula. The results are subjected to a range of scenario testing that is reviewed by management and challenged by the Board and, where appropriate, potential management actions are noted and conclusions drawn. The Company also performs a specific climate change stress scenario where a ten year projection period is considered.

The Company has sufficient capital to meet its base case SCR for its current and projected business activities over the 5 year business planning horizon.

The results of the ORSA show that the Company has sufficient eligible capital own funds to:

- Maintain a comfortable margin over its Overall Solvency Needs for its current and projected business activities over the business planning horizon;
- Continue to meet internal and regulatory solvency targets for capital management;
- Continue its business on a going concern basis over the business planning horizon.

B.4 Internal Control System

B.4.1 Description of The Internal Control System

The Company has adopted an Internal Control Policy (reviewed by the Board on an annual basis). The objectives of the Internal Control Policy and system are to provide Management with appropriate information to inform decision making and provide reasonable assurance that:

- Assets are safeguarded against loss from unauthorised use or disposition
- Transactions are executed in accordance with Management's authorisation and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles and statutory reporting requirements
- There is compliance with laws, regulations, and Company policies. The Company's internal control framework is reviewed with the Board of Directors to ensure effective compliance with legislation

An assigned Director has primary responsibility for the Company's Internal Control Policy and system. This Director ensures that policies and procedures are adopted that provide adequate control and accountability for operations, programs and resources. Designated individuals implement and maintain systems of internal control for their respective areas that provide reasonable assurance that the internal control standards defined within this policy are addressed.

NEIL has created a Compliance and Controls Committee (C&CC), of which the Company's Compliance Officer is a standing member. The C&CC is responsible for promoting and monitoring the use of effective controls and control awareness throughout the Company.

Primary Roles and Responsibilities of the Committee include preparation of an Annual Compliance Report, compliance program assessment, coordination of the Annual Internal Audit Plan, remediation plan review, compliance monitoring, occurrence assessment, training, communication, Compliance and Control Register implementation.

A Group internal audit plan is prepared on an annual basis that includes testing for the Company's processes and activities. The Managing Director and Compliance Officer review the plan and working with the Head of Internal Audit, the Audit Committee Chair, and the Audit Committee, highlight the audit focus of the Company. NEIL working with Company management and the internal audit function are responsible for the timing of the scheduled tests based on business needs and risk assessment. Reports are provided on the status of schedule attainment, testing activities and audit findings to Management and the Audit Committee of the Board.

The compliance function also reports to the Board of Directors regarding Company compliance with the relevant legislation and the Company's plans to ensure compliance with any new requirements.

B.4.2 Implementation of The Compliance Function

The Board of the Company has ultimate responsibility for its compliance objective.

To help achieve this aim the Board has established a Compliance Function, staffed by an appointed Compliance Officer, to supplement not supplant, the responsibilities of the Board to ensure compliance with legislation and applicable requirements.

The role of the Board appointed Compliance Officer is to:

- Assist the Board with ensuring ongoing compliance with legislation and applicable requirements
- Enhance the Company's awareness of compliance matters
- Monitor the understanding of the legal and regulatory environment
- Creation and maintenance of a compliance register
- Management of compliance obligations (e.g., breach reporting)
- Monitoring and evaluation (e.g. regular review of the Compliance Register)
- Communication and reporting

- Reviewing staff training processes so as to ensure appropriate compliance competencies

The Compliance Officer prepares a Compliance Officer report for the Chair of the Board at each board meeting which outlines the following:

- Details of regulatory correspondence with the Company
- Details of regulatory developments
- Submissions to the regulator
- Details of which controls were tested since the last report and the results of the tests
- Conclusions and recommendations on the Company's compliance with insurance legislation and guidelines.
- Compliance plan activities
- Application of recommendations of the Insurance Supervision Directorate of the Central Bank.

B.5 Internal Audit Function

B.5.1 Implementation of The Internal Audit Function

The Head of Internal Audit role is undertaken by the Group Controller, with Internal Audit support provided by PricewaterhouseCoopers under an outsourcing agreement. The internal audit function possesses a remit to provide reasonable assurance as to the effectiveness and efficiency of the overall control environment for the Company's Audit Committee of the Board of Directors and Management. The Head of Internal Audit reports to the Company's Chair of the Audit Committee.

In this regard, Internal Audit participates with management as an independent and objective business partner in identifying and assessing the priority of business risks.

To this end, the Internal Audit Function is mandated to:

- Examine and evaluate the policies, procedures and systems which are in place to ensure:
 - Effective and efficient operations;
 - Reliable financial reporting and integrity of information;
 - Compliance with applicable legal and regulatory requirements;
 - Safeguarding of assets; and,
 - Effective internal control practices are employed.
- Provide management with advice and recommendations on controls over their business operations and processes;
- Provide management with advice and recommendations to improve the reliability, integrity and security of management and financial information;
- Coordinate with the external auditors to ensure key risks are addressed and to ensure audit duplication is avoided whenever possible;
- Assist management in ascertaining the extent of compliance with applicable laws and regulation to which the Company is subject or will be subject; and,

- Communicate the principles of the risk-based audit approach and the basis of the Audit Plan to Company management, the Audit Committee and the NEIL Compliance and Controls Committee.

B.5.2 Independence of The Internal Audit Function

The function provides independent and objective assurance services, via an Internal Audit Agreement between the Company and PricewaterhouseCoopers.

B.6 Actuarial Function

The role of the Actuarial Function is outsourced to third party provider, Willis Towers Watson, via the terms of a written SLA.

The key role of the Head of Actuarial Function (HoAF) is to provide the following services as part of the Annual Actuarial Function Report:

- Opinion on Underwriting Policy
- Opinion on Technical Provisions
- Opinion on Reinsurance Arrangements
- Contribution to the Risk Management System
- Contribution to calculation of capital requirements
- Opinion on the ORSA process
- Report to the Board

B.7 Outsourcing

The Company has established an Outsourcing Policy which sets out the requirements for identifying, justifying, and implementing material outsourcing arrangements. This Policy has been adopted by the Company and includes the following:

- Definition of outsourcing and critical outsourcing
- Board and Management responsibility
- Due Diligence
- Service Level Agreements
- Management and control of the Outsourcing Relationship
- Final approval
- Compliance

The Company's outsourcing arrangements are subject to annual review and the findings of the report, along with the Outsourcing Policy are reviewed by the Board.

The following is a list of the critical or important outsourced operational functions together with the jurisdiction in which the service providers of such functions or activities are located:

Critical Outsourcing Arrangements				
Outsourced Provider	Service Outsourced	Internal/External	Jurisdiction	Outsourcing Oversight
Marsh Management Services (Dublin) Limited	QRT preparation and SCR calculations	External	EU	Head of Compliance (PCF-13)
PGIM	Investment Managers (concurrent with NEIL)	External	EU	
NEIL Services	Support with key activities including Underwriting and Claims support	Internal	USA	
PricewaterhouseCoopers	Internal Audit (concurrent with NEIL Services)	External	USA	
Willis Towers Watson	Head of Actuarial	External	EU	
NEIL Services	Head of Internal Audit	Internal	USA	

B.8 Any Other Information

B.8.1 Assessment of The Adequacy of The System of Governance Of The Insurance Or Reinsurance Undertaking To The Nature, Scale And Complexity Of The Risks.

The Company has assessed its corporate governance system and has concluded that it effectively provides for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of operations of the Company.

B.8.2 Any Other Material Information Regarding the System of Governance of the Company

No material changes regarding the system of governance of the Company took place, aside from those already disclosed in Section B.1.2.

C. RISK PROFILE

The Company's long term risk management objectives are aligned with its parent and the common Risk Philosophy Statement is outlined below:

- Managing risks within defined tolerance levels
- Measuring risk in an integrated manner across underwriting, investment and operational exposures
- Maintaining well-defined reporting and governance processes

Company specific Enterprise Risk Assessments (ERAs) are conducted to re-evaluate known risks and identify emerging risks. The Company's ERA approach is consistent with its Parent and includes the following components:

- Identification and creation of a key risk inventory
- Evaluation and prioritization of risks
- Determination of risk response
- Review of the control environment

C.1 Underwriting Risk

C.1.1 Key Underwriting Risks

Underwriting risk at 31 December comprises 14% of the undiversified basic SCR.

The key underwriting risks to which the Company is exposed to are set out below:

- Non-life premium and reserve risk

The Company accepts insurance risk through its insurance contracts where it assumes the risk of loss from persons or organisations that are directly subject to the underlying loss.

Underwriting risk arises from two sources – inappropriate underwriting (premium risk) and adverse claims development (reserve risk).

While the Board retains ultimate authority for underwriting, the Company's underwriting and claim reserving practices are supported by its parent company (NEIL) and an affiliate (NEIL Services) respectively.

Underwriting objectives are outlined in the Company's Underwriting Policy while claims reserving practices are outlined in NEIL Services Claims Department Manual. Key risk considerations addressed in the respective policies include the classes and characteristics of the insurance business the Company is willing to accept, premium adequacy, underwriting limits, claims assessments and claims payment processes.

- Non-life catastrophe risk

The risk of a major natural or man-made event occurring is considered as part of the Company's reinsurance policy and arrangements.

Catastrophic modelling of NEIL Overseas insureds is conducted annually through the application of expert third party systems (e.g. AIR Worldwide) and results are incorporated into NEIL Overseas Loss Estimation and Pricing processes.

C.1.2 Material Risk Concentrations

Natural catastrophe is considered as part of the safety case for each of the Company's Members Nuclear Power Plant locations. Due to the physical separation of the sites, the concentration element is most relevant for earthquake, with the majority of plants in low or between low and moderate risk zones.

Geographic Risk Concentration is considered as part of the catastrophic modelling, which is included within the loss estimate process.

Design based risk concentrations are mitigated by; the coordinated exchange of operational experience worldwide within the Nuclear Industry; the nature of the plant designs; and the emerging risk and project enterprise risk programs in place.

C.1.3 Assessment and Risk Mitigation Techniques Used for Underwriting Risks

The Company monitors and controls risks via various methods, including:

- Having in place clear underwriting and reserving philosophies and procedures and controls in relation to pricing and reserving
- Completing regular on-site loss prevention evaluations at Member Nuclear Power Plants and completing desk top reviews of loss prevention reports prepared by lead insurers or brokers for specialty property risks.
- Retaining risk within an approved risk appetite and solvency requirements
- Monitoring changing environment and market conditions that affect risk
- Quarterly performance reporting highlighting performance of key underwriting metrics (KRIs)
- Using reinsurance to reduce underwriting risk
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions
- Independent opinions on the reasonableness and adequacy of the overall underwriting policy, technical provisions and reinsurance arrangements are provided by the Head of Actuarial Function on an annual basis

C.2 Market Risk

C.2.1 Material Market Risks

Market risk at 31 December comprises 30% of the undiversified basic SCR.

Market risk is the risk arising from the level of volatility of market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as market prices, interest rates, real estate prices and exchange rates. Market risk is arrived at using the assumptions and calculations methods contained in the Standard Formula.

Investments objectives are outlined in the Company's Investment Policy Guidelines and Objectives. Key risk considerations in development of the guidelines include: permitted investment classes; derivative usage; credit risk; market risk; concentration risk; liquidity risk; asset liability management; and interest rate sensitivity.

The table below outlines the material components of the market risk module as at 31 December 2023.

Market Risk sub-module	US\$'000
Equity	11,353
Concentration	18,957
Spread	8,416
Interest rate	6,210
Currency	7,474

- Equity Risk: the risk that the Company is exposed to higher or lower returns as a direct or indirect result of fluctuations in the value of, or income from, equity investments.

Equity risk is a product of the equity investments held by the Company.
- Concentration Risk: the risk that excessive exposure to counterparty will impact on the solvency of the Company.

Concentration risk is a product of the investments held, being the deposit accounts and bonds.
- Spread Risk: the sensitivity of the value of investments, primarily equities, bonds and deposits in respect of the Company, to changes in the level or in the volatility of credit spreads.

Spread risk is also a product of the investments held, being equities, deposit accounts and bonds.
- Interest Rate Risk: the risk that the Company is exposed to lower returns or loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets arising from changes in underlying interest rates.

Interest rate risk arises primarily from the Company's bond portfolio and the settlement of future claims.
- Currency Risk: the risk that the Company is exposed to higher or lower returns as a direct or indirect result of fluctuations in the value of, or income from, specific assets or liabilities arising from changes in underlying exchange rates.

Currency risk is not considered material given the nature the Company's business.

C.2.2 Material Risk Concentrations

Concentration risk arises in respect of the deposits with credit institutions and the bonds. However, noting that the Company continues to hold a well-diversified portfolio to ensure there is no over concentration of material market risks.

C.2.3 Prudent Person Principle Applied to Market Risks

The high quality and conservative investments are a consequence of the investment assets being prudently invested, taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

C.2.4 Assessment and Risk Mitigation Techniques Used for Market Risks

The Company monitors and controls risks via various methods, including:

- Compliance with the investment policies and guidelines as approved by the Company's Board of Directors
- Quarterly KRIs
- Retaining risk within an approved risk appetite and solvency requirements
- Monitoring changing environment and market conditions that affect risk
- Diversifying and limiting investment risk through ongoing review and management metrics
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions

C.3 Credit Risk

C.3.1 Material Credit Risks

Credit risk at 31 December comprises 56% of the undiversified basic SCR.

Credit risk is the risk that the Company is exposed to lower returns or loss if another party fails to perform its financial obligations towards the Company. The counterparty default risk module in the Standard Formula is mainly driven by cash at bank and the reinsurer's share of technical provisions.

- Reinsurance counterparties:

The main reinsurance counterparty with which the Company has a treaty (NEIL) is highly rated and has a credit quality step of 2.

- Banking counterparties:

Cash at bank is kept to a minimum and invested with a creditworthy institution.

C.3.2 Material Risk Concentrations

While the significant reinsurance provided by NEIL could be considered a material risk concentration to the Company, this is mitigated by the unique relationship between the Company and NEIL; the fact that currently almost all coverage is provided to NEIL Members; and the exceptionally strong surplus position of NEIL.

C.3.3 Prudent Person Principle Applied To Credit Risks

Counterparties are selected by taking into account the credit rating and reputation of each entity. Credit ratings are used as a way of properly identifying and managing the risk attached to a counterparty.

C.3.4 Assessment and Risk Mitigation Techniques Used for Credit Risks

The Company monitors and controls risks via various methods, including:

- Compliance with the investment policies and guidelines as approved by the Company's Board of Directors
- Retaining risk within an approved risk appetite and solvency requirements
- Quarterly KRIs
- Monitoring changing environment and market conditions that affect risk
- NEIL's reinsurance guidelines limit reinsurer participation, percentage, total aggregate exposure and minimum credit rating
- NEIL's reinsurer credit rating is monitored in the Company's Key Risk Indicators (KRIs)
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions.

C.4 Liquidity Risk

C.4.1 Material Liquidity Risks

The Company has considered the risk of a lack of liquidity available to pay claimants and has determined that no specific allocation of capital is considered necessary for this risk, as investments are managed such that no less than 90% of the investments could be liquidated without significant market impact over a period of several months or less.

Liquidity objectives and constraints are outlined in the Company's Investment Policy Guidelines and Objectives.

C.4.2 Prudent Person Principle Applied to Liquidity Risks

The investment assets are prudently invested taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities. The investment funds are primarily publicly traded securities which can be liquidated without significant impact over a period of several months or less.

C.4.3 Assessment and Risk Mitigation Techniques Used for Liquidity Risks

The Company monitors and controls risks via various methods, including:

- Compliance with the investment policies and guidelines as approved by the Company's Board of Directors
- Retaining risk within an approved risk appetite and solvency requirements
- Monitoring changing environment and market conditions that affect risk
- Quarterly KRIs

- Forecasts are prepared regularly to predict required liquidity levels over both the short and medium term
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions

C.5 Operational Risk

C.5.1 Material Operational Risks

Operational risks are addressed in the capital requirement as an addition to the BSCR to the extent that they have not been explicitly covered in other risk modules. The operational risk capital charge as at 31 December 2023 is \$1,501K.

The Company defines operational risk as the risk of loss resulting from failed internal processes, people, and systems or from external events. Operational risks which can result in losses include internal fraud, external fraud, employment practices, system failures and disregard of company policies.

C.5.2 Assessment and Risk Mitigation Techniques Used for Operational Risks

The Company monitors and controls risks via various methods, including:

- Internal controls
- Monitoring and internal reporting
- Recovery Planning
- Business continuity plans
- Operational resilience framework
- High standards of ethics and integrity through a Code of Conduct
- Commitment to effective corporate governance

C.6 Other Material Risks

The Company has included a range of non-quantifiable risks in its Enterprise Risk Assessment and ORSA process. Documented associated actions exist for each of these risks, and are reviewed on a periodic basis by the Board of Directors.

Sample risks include:

- Information Technology (including Cyber Security)
- Regulatory and Compliance
- Reputational and Member Engagement
- Outsourcing
- Nuclear Industry
- Competitive Landscape
- Organisational Health
- Crisis Management
- Loss Prevention
- Governance

The Board considers that these non-quantifiable risks that are not captured by the Standard Formula are covered by the application of a specified strategic solvency target.

C.7 Any Other Information

C.7.1 Amount of Expected Profit Included in Future Premiums as Calculated in Accordance with Article 260(2)

The Expected Profit Included in Future Premiums (EPIFP) as at 31 December 2023 is \$1,918k. This is calculated in accordance with Article 260(2) of Delegated Regulation (EU) 2015/35 as the premium charged in excess of the best estimate of the losses and related expenses.

C.7.2 Stress and Sensitivity Tests

The Company's ORSA contains a base case and a series of adverse stress and reverse stress scenarios with the goal to assess the Company's ability to maintain sufficient capital to withstand a variety of adverse events. The events have been analysed applying the Solvency II Standard Formula and are designed to be progressive in nature; first applying a series of standalone stress events, then applying a clash occurrence, and finally a reverse stress event.

The results of the stress testing evidence that the Company is prudently capitalised on a net of reinsurance basis as a consequence of its low aggregate loss retention. Traditional insurance risks such as, underwriting and reserve risks, are therefore not material on a stand-alone basis under the Company's operating model.

Under its risk tolerance limits the Company aims to maintain a specified strategic solvency target. Where a breach of this solvency target is identified, as highlighted above, the Company has an action plan in place. The action taken will be to call a meeting of the Board to confirm the capital actions needed to respond to ensure available capital returns to a level in excess of the specified strategic solvency target. Following the board meeting an action will be taken to alert the Central Bank of Ireland to the actions agreed if necessary.

C.7.3 Any Other Comments

The Company has identified all material risks through its risk register and there is no other material information regarding the risk profile of the Company that warrants disclosure.

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

D.1.1 Local GAAP and Solvency II Valuations

The table below sets out the value of the Company's assets as at 31 December 2023:

	31/12/2023		31/12/2022	
	Assets per GAAP	Assets per Solvency II	Assets per GAAP	Assets per Solvency II
	US\$'000	US\$'000	US\$'000	US\$'000
Equities	28,061	28,061	23,585	23,585
Fixed Income Securities	109,011	109,979	95,986	90,980
Deposits other than cash equivalents	0	8,277	0	4,960
Cash and Cash Equivalents	8,526	408	5,190	6,038
Derivatives	5	5	0	0
Reinsurance recoverables	49,016	18,426	40,560	18,345
Insurance and intermediaries receivable	14,921	5,327	11,188	7,041
Property	13	13	21	21
Deferred Tax Asset	0	612	0	397
Accrued Interest	1,128	0	803	0
Other Assets	793	994	1,683	1,292
Total assets	211,474	172,102	179,016	152,659

The Company's assets are recognised and valued using the following principles:

- **Equities**
These are quoted instruments in active markets and therefore the market price as at 31 December 2023 has been applied. There have been no adjustments for solvency purposes.
- **Fixed Income Securities**
These are quoted instruments in active markets and therefore the market price as at 31 December 2023 has been applied. Adjustments for solvency purposes relate to the reclass of accrued interest on fixed income securities (being valuation at "dirty price": price of a bond valued including any interest that has accrued since issue of the most recent coupon payment).
- **Cash and cash equivalents**
Cash and cash equivalents are balances held on current accounts with credit institutions, they are valued at current market value.

Adjustments for solvency purposes relate to a reclassification of term deposits from Cash and Cash Equivalents to Deposits other than Cash equivalents.

- Deposits other than cash equivalents

Adjustments for solvency purposes relate to a reclassification of term deposits to/from Cash and Cash Equivalents to Deposits other than Cash Equivalents.

These are quoted instruments in active markets and therefore the market price as at 31 December 2023 has been applied.

- Reinsurance recoverables

Reinsurance recoverables are comprised of the reinsurer's share of unearned premiums and a provision for amounts recoverable from the related reinsurance contract.

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 rates curve.

- Insurance and intermediaries receivable

Adjustments for solvency purposes relates to the reduction of the premium provisions for premiums which are receivable, these balances have been reclassified as technical provision cashflows. The amount under Solvency II relates to actual business written for which premium receivables are overdue.

- Deferred Tax Asset

The Company has recorded a deferred tax asset as the cash flows from the relevant Basic Own Funds items result in a decrease in available capital when moving from Irish GAAP to Solvency II and the Company has therefore recognised future tax receivable on this capital.

D.2 Technical Provisions

D.2.1 Local GAAP and Solvency II Valuations

The valuation of liabilities for Solvency II has been determined in accordance with Articles 75-86 of the Solvency II Directive 2009/138/EC and related guidance.

The table below shows an analysis of the gross of reinsurance technical provisions as at 31 December 2023:

Insurance Class	31/12/2023		31/12/2022	
	TPs per GAAP	TPs per Solvency II	TPs per GAAP	TPs per Solvency II
	US\$'000	US\$'000	US\$'000	US\$'000
Fire and other damage to property				
Fire and other damage to property - Best estimate of liabilities (BEL)	64,208	47,537	51,654	41,835
General Liability - Best estimate of liabilities (BEL)	3,801	2,488	2,602	2,048
Risk margin	0	5,375	0	4,732
Total technical provisions	68,009	55,400	54,256	48,615

The GAAP accounts of the Company include provisions for claims incurred and claims incurred but not reported, which consider all reasonably foreseeable best estimates. An unearned premium reserve is also included, relating to gross premiums written that have not yet expired by the end of the financial period by reference to the full term of the insurance policies to which such premiums written relate.

The Solvency II technical provisions are made up of a best estimate of the claims, premiums and expenses cash flows that are discounted to give an estimate of the provisions. A risk margin is then added.

A number of adjustments were made to the GAAP provisions in order to obtain the Solvency II technical provisions. Key points to note are as follows:

Cash-flows and discounting: Cash-flows have mostly been discounted using the USD risk free yield curve as at 31 December 2023 as published by the European Insurance and Occupational Pensions Authority ("EIOPA"). There are a limited number of policies written in Euros and these have been discounted using the relevant Euro risk free yield curve.

Solvency II classes of business: The business written by NEIL Overseas as at 31 December 2023 has two classifications "Fire and other damage to property" and "General Liability", with the former being the predominant classification.

Inclusion of unearned business: The expected claims on unearned business have been calculated using an expected loss ratio applied to the gross of reinsurance unearned premium reserve.

Expenses: An allowance has been made for claims handling expenses.

Risk Margin

The risk margin has been calculated separately by determining the cost of providing an amount of eligible own funds equal to the Solvency Capital Requirement necessary to support the insurance and reinsurance obligations.

The annual cost of capital is taken to be 6% of the capital estimated at each future point, discounted to the valuation date using the same risk free yield curve as that used to determine the best estimate technical provisions.

D.2.2 Uncertainty Associated with the Value of Technical Provisions

All estimates of unpaid loss reserves are inherently uncertain. The key areas of uncertainty of the technical provisions are driven by the uncertainty of the underlying booked reserves. Hence, the key area of particular uncertainty relating to the Company's liabilities is:

Given the high limits underwritten by the Company and the low level of retentions, the main uncertainty arises from the possibility that the reinsurers may fail to respond to a valid claim either through insolvency or dispute. However, the counterparty is the Company's parent NEIL and so default is unlikely.

D.2.3 Solvency II and Local GAAP Valuation Differences of Technical Provisions by Material Line of Business

See analysis in Section D.2.1 – Business written by NEIL Overseas as at 31 December 2023 has been classified between “Fire and other damage to property” and “General Liability”, with the former being the predominant classification.

D.2.4 The Company does not apply the matching adjustment referred to in Article 77b of Directive 2009/138/EC.

D.2.5 The Company does not use the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.

D.2.6 The Company does not apply the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.

D.2.7 The Company does not apply the transitional deduction referred to in Article 308d of Directive 2009/138/EC.

D.2.8 Recoverables from reinsurance and special purpose vehicles

The Company entered into an excess of loss reinsurance agreement with its parent, NEIL. The Company has an annual aggregate retention of US\$10M with losses above this being ceded to NEIL.

Total reinsurance recoverables (Solvency II valuation basis) at 31 December 2023 were US\$18.4m (2022: US\$18.3m). An analysis of the components of same together with an overview of the Solvency II valuation bases has been provided in Section D.1.1.

D.3 Other Liabilities

Other liabilities at 31 December 2023 were US\$25.5m (2022: US\$19.1m) and are mainly composed of amounts due to policyholders, retiree medical benefits payable, accrued expenses and taxation liabilities. Re Local GAAP versus Solvency II valuations: Reinsurance payables were US\$ NIL due to their inclusion within the best estimates figure.

D.4 Alternative Methods for Valuation

The Company does not use any alternative methods for valuation.

D.5 Any Other Information

There are no other material matters in respect of the valuation of assets and liabilities.

E. CAPITAL MANAGEMENT

E.1 Own Funds

E.1.1 Objective, policies and processes for managing own funds

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. As part of own funds management, the Company prepares ongoing annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the basis of the ORSA contains a five year projection of funding requirements and helps focus actions for future funding.

The Company is a single shareholder entity whose ordinary shares are fully paid up. It has no debt financing, nor does it have plans to raise debt or issue new share capital over the five year time horizon used for business planning.

The Company has also received \$72 million in capital contributions since its inception. These contributions are irrevocable, non-refundable and will not result in a grant by the Company of any rights or the assumption by the Company of any obligations to the parent or any third party. These capital contributions have been approved by the CBI as Tier 1 Own Funds as per the Solvency II Directive.

The medium-term capital management plan set by the Board is as follows:

- Current capital management policy is to conservatively manage the capital in accordance with the Company's Investment Policy Guidelines and Objectives;
- There is no short, medium, or long term policy to pay a dividend. However, as part of its capital management strategy, the Company shall consider, on an annual basis, its ability to pay a dividend to the sole shareholder;
- Own funds to be maintained at an agreed level in excess of the SCR.

E.1.2 Own funds analysed by tiers

An analysis of own funds is shown below:

Date	Description	Tier 1 US\$000	Tier 3 US\$000	Total US\$000
01/01/2023	Opening balance comprising: Ordinary share capital Capital contributions Reconciliation reserve Deferred Tax Asset	10,000 72,000 20,458	- - - 397	10,000 72,000 20,458 397
	Movement in the Reconciliation reserve for the year ended 31 December 2023	10,602	-	10,602
	Movement in deferred tax asset	-	215	215
31/12/2023	Closing balance Represented by:			
	Ordinary share capital	10,000	-	10,000
	Capital contributions	72,000	-	72,000
	Reconciliation reserve (comprising retained earnings and Solvency II adjustments)	31,060	-	31,060
	Deferred tax asset	-	612	612
	Total Basic own funds after deductions	113,060	612	113,672

The Company's ordinary share capital, capital contributions and reconciliation reserve are all available as tier 1 unrestricted own funds as per Article 69 (a)(1) of the Delegated Regulation. The reconciliation reserve equals the excess of assets over liabilities less other basic own fund items, as at the reporting date. There are no foreseeable dividends or own shares held. The Company has no tier 1 restricted own funds, no tier 2 own funds and tier 3 own funds of US\$612K.

E.1.3 Eligible amount of own funds to cover the Solvency Capital Requirement, classified by tiers.

The eligible amount of own funds to cover the Solvency Capital Requirement is US\$113.7m. This is comprised of Tier 1 unrestricted Basic Own Funds of US\$ 113.1m and Tier 3 Basic Own Funds of US\$612K.

E.1.4 Eligible amount of own funds to cover the Minimum Capital Requirement, classified by tiers.

The eligible amount of own funds to cover the Minimum Capital Requirement is US\$113.1m. This is comprised of Tier 1 unrestricted Basic Own Funds of US\$113.1m.

E.1.5 Difference between equity as shown in the financial statements and the Solvency II value excess of assets over liabilities.

The following table reconciles the differences (reconciliation reserve) between the equity in the financial statements and the excess of the assets over liabilities as calculated for solvency purposes.

Reconciliation of Basic Own Funds to Equity as per financial statements as at 31 December 2023	
	US'\$000
Solvency II - Basic Own Funds	113,673
Total Equity as per financial statements	117,959
Difference:	(4,286)
Represented by:	
Difference between Net Technical Provisions, insurance assets and liabilities and Best Estimate Liabilities	477
Risk Margin	(5,375)
Deferred tax asset	612
Difference:	(4,286)

- E.1.6 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.
- E.1.7 Tier 3 funds are made up of an amount equal to the value of deferred tax assets.
- E.1.8 No deductions are applied to own funds and there are no material restrictions affecting their availability and transferability.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Amount of Solvency Capital Requirement and Minimum Capital Requirement

The table below shows the total SCR and MCR at 31 December 2023:

	US\$'000
SCR	78,413
MCR	19,603

The final amount of the SCR remains subject to supervisory assessment.

E.2.2 Solvency Capital Requirement split by risk modules

The table below shows the SCR components by risk module (using the Standard Formula) at 31 December 2023.

	2023	2022
	US\$'000	US\$'000
Market risk	29,899	18,670
Counterparty default risk	55,432	56,227
Non-life underwriting risk	13,374	11,701
Diversification	(21,793)	(16,320)
Basic Solvency Capital Requirement	76,912	70,278
Operational Risk	1,501	1,317
Overall Solvency Capital Requirement	78,413	71,595

Available Capital	113,673	102,855
SCR Cover	145%	144%

- E.2.3 Simplified calculations are not used for any of the risk modules or sub-modules.
- E.2.4 The Company does not use undertaking specific parameters in its computation.

E.2.5 The Minimum Capital Requirement is calculated using the Standard Formula specifications.

The table below shows the inputs into the MCR calculation as at 31 December 2023.

Minimum Capital Requirement (MCR)													
MCR		19,603,128											
Total MCR NL		4,042,306											
Cap		35,285,630											
Floor		19,603,128											
		<table><tr><th colspan="2">Parameters</th></tr><tr><td>Cap</td><td>45%</td></tr><tr><td>Floor</td><td>25%</td></tr><tr><td>AMCR</td><td>2,983,500</td></tr></table>				Parameters		Cap	45%	Floor	25%	AMCR	2,983,500
Parameters													
Cap	45%												
Floor	25%												
AMCR	2,983,500												
Line of Business	Net Technical Provisions	Net Premium Written	Parameters		MCR NL								
			α	β									
Medical Expense	0	0	5%	5%	0								
Income Protection	0	0	13%	9%	0								
Workers' Compensation	0	0	11%	8%	0								
Motor Vehicle Liability	0	0	9%	9%	0								
Other Motor	0	0	8%	8%	0								
Marine, Aviation & Transport	0	0	10%	14%	0								
Fire & Other Damage to Property	28,737,734	12,888,500	9%	8%	3,667,985								
General liability insurance	2,860,645	608,205	10%	13%	374,321								
Credit & Suretyship	0	0	18%	11%	0								
Legal Expenses	0	0	11%	7%	0								
Assistance	0	0	19%	9%	0								
Miscellaneous Financial Loss	0	0	19%	12%	0								
NPR - Health	0	0	19%	16%	0								
NRP - Property	0	0	19%	16%	0								
NPR - Casualty	0	0	19%	16%	0								
NPR - Marine, Aviation & Transport	0	0	19%	16%	0								

E.2.6 The Solvency Capital Requirement has increased due to the following:

The treatment of premium receivables following the latest guidance from EIOPA. The EIOPA guidance requires that all receivable balances should be subject to a 15% counterparty risk charge, whether past the due date per the invoice/policy or not.

E.3 Use Of The Duration-Based Equity Risk Sub-Module In The Calculation Of The Solvency Capital Requirement

The Company has not opted to use the duration-based equity risk sub-module set out in Article 304 of Directive 2009/138/EC.

E.4 Differences Between The Standard Formula And Any Internal Model Used

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

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

There were no breaches of the Solvency Capital Requirement (and hence the Minimum Capital Requirement) over the reporting period.

E.6 Any Other Information.

There are no other material matters in respect of the valuation of capital management.

E.6.1 TEMPLATES

The following QRTs are required for the SFCR.

QRT ref	QRT Template name
S.02.01	Balance Sheet
S.05.01/.02	Premiums, claims and expenses by Line of Business and Country
S.17.01	Technical Provisions
S.19.01	Non-Life insurance claims
S.23.01	Own Funds
S.25.01	Solvency Capital Requirement – for undertakings on Standard Formula
S.28.01	Minimum Capital Requirement

The templates are included at the end of the report.

S.02.01.02

Balance sheet

S.02.01.02.01

Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	
Deferred tax assets	R0040	612
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	13
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	146,322
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	109,979
Government Bonds	R0140	
Corporate Bonds	R0150	106,114
Structured notes	R0160	-
Collateralised securities	R0170	3,865
Collective Investments Undertakings	R0180	28,061
Derivatives	R0190	5
Deposits other than cash equivalents	R0200	8,277
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	18,426
Non-life and health similar to non-life	R0280	18,426
Non-life excluding health	R0290	18,426
Health similar to non-life	R0300	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	5,327
Reinsurance receivables	R0370	
Receivables (trade, not insurance)	R0380	
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet	R0400	
Cash and cash equivalents	R0410	408
Any other assets, not elsewhere shown	R0420	994
Total assets	R0500	172,103

S.02.01.02
Balance sheet
S.02.01.02.01
Balance sheet

		Solvency II value
		C0010
Liabilities		
Technical provisions - non-life	R0510	55,400
Technical provisions - non-life (excluding health)	R0520	55,400
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	50,025
Risk margin	R0550	5,375
Technical provisions - health (similar to non-life)	R0560	
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	
Risk margin	R0590	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	
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	
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	
Risk margin	R0680	
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	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	- 116
Reinsurance payables	R0830	
Payables (trade, not insurance)	R0840	1,361
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	1,785
Total liabilities	R0900	58,430
Excess of assets over liabilities	R1000	113,673

S.05.01.02

Premiums, claims and expenses by line of business

S.05.01.02.01

Z Axis:

VG/Statutory accounts

DI/Year to Date

Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)		Total
		Fire and other damage to property insurance	General liability insurance	
		C0070	C0080	
				C0200
Premiums written				
Gross - Direct Business	R0110	30,700	459	31,159
Gross - Proportional reinsurance accepted	R0120	16,015	2,170	18,186
Gross - Non-proportional reinsurance accepted	R0130			-
Reinsurers' share	R0140	30,242	2,021	32,264
Net	R0200	16,473	608	17,082
Premiums earned				
Gross - Direct Business	R0210	26,179	443	26,622
Gross - Proportional reinsurance accepted	R0220	16,237	1,888	18,125
Gross - Non-proportional reinsurance accepted	R0230			-
Reinsurers' share	R0240	31,290	1,446	32,735
Net	R0300	11,126	885	12,011
Claims incurred				
Gross - Direct Business	R0310	358	-	358
Gross - Proportional reinsurance accepted	R0320	23,373	-	23,373
Gross - Non-proportional reinsurance accepted	R0330			-
Reinsurers' share	R0340	14,026	-	14,026
Net	R0400	9,705	-	9,705
Expenses incurred	R0550	1,094	57	1,038
Balance - other technical expenses/income	R1210			-
Total technical expenses	R1300			1,038

Annex I

S.05.01.02

Non-life premiums, claims and expenses by country (Top 5 and home country)

			Home country	Top 5 countries (by amount of gross premium written) - non-life obligations					Total Top 5 and home country
			Home country	ES	BE	FR	UK	CAD	
Premiums written	Gross - Direct Business	R0110	0	13,640	8,358	1,489	2,334	2,659	28,481
	Gross - Proportional reinsurance accepted	R0120	1	5,128	171	444	640	64	6,448
	Gross - Non-proportional reinsurance accepted	R0130							
	Reinsurers' share	R0140	1	12,451	5,659	1,282	1,974	1,806	23,172
	Net	R0200	0	6,318	2,871	650	1,001	916	11,757
Premiums earned	Gross - Direct Business	R0210	0	13,669	8,730	1,751	539	0	24,690
	Gross - Proportional reinsurance accepted	R0220	3	5,131	174	446	643	66	6,463
	Gross - Non-proportional reinsurance accepted	R0230							
	Reinsurers' share	R0240	2	13,754	6,514	1,607	865	48	22,791
	Net	R0300	1	5,046	2,390	590	317	18	8,362
Claims incurred	Gross - Direct Business	R0310	0	3,217	8,685	0	0	0	11,902
	Gross - Proportional reinsurance accepted	R0320	0	167	0	0	0	0	167
	Gross - Non-proportional reinsurance accepted	R0330							
	Reinsurers' share	R0340	0	1,241	3,185	0	0	0	4,426
	Net	R0400	0	2,143	5,500	0	0	0	7,643
Changes in other technical provisions	Gross - Direct Business	R0410	0	0	0	0	0	0	0
	Gross - Proportional reinsurance accepted	R0420	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0430							
	Reinsurers' share	R0440	0	0	0	0	0	0	0
	Net	R0500	0	0	0	0	0	0	0
Expenses incurred		R0550	0	395	179	41	63	57	735
Other expenses		R1200							0
Total expenses		R1300							735

S.17.01.02
Non-Life Technical Provisions
S.17.01.02.01
Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance		Total Non-Life obligation
		Fire and other damage to property insurance	General liability insurance	
		C0080	C0090	
Technical provisions calculated as a whole	R0010	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected loss	R0050	-	-	-
Technical provisions calculated as a sum of BE and RM				
Best estimate				
Premium provisions				
Gross	R0060	7,238	161	7,077
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected loss	R0140	-	173	-
Net Best Estimate of Premium Provisions	R0150	11,029	13	11,041
Claims provisions				
Gross	R0160	40,299	2,648	42,948
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected loss	R0240	22,590	200	22,391
Net Best Estimate of Claims Provisions	R0250	17,709	2,848	20,557
Total Best estimate - gross	R0260	47,537	2,488	50,025
Total Best estimate - net	R0270	28,738	2,861	31,598
Risk margin	R0280	5,208	167	5,375
Technical provisions - total				
Technical provisions - total	R0320	52,745	2,655	55,400
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected loss	R0330	18,799	373	18,426
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	33,946	3,028	36,974

S.19.01.21

Non-life insurance claims

S.19.01.21.01

Z Axis:

TA/Non-cumulative

VG/Solvency II

Metric: Monetary

BC/Claims paid

BL/Non-life and Health non-SLT

AX/All members	Accident year / Underwriting year	Z0020	AM_8
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Gross Claims Paid (non-cumulative) - Development year (absolute amount). Total Non-Life Business

		0	1	2	3	4	5	6	7	8	9	10 & +	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	
Prior	R0100											0	RM/N-10 and prior years
N-9	R0160	-	23,116	6,252	13,179	18	-	-	-	-	-		RM/N-9
N-8	R0170	-	-	-	-	8	4	-	3,944	-			RM/N-8
N-7	R0180	-	-	7,068	5	-	-	-	-				RM/N-7
N-6	R0190	-	5,497	57	-	82	1	-					RM/N-6
N-5	R0200	-	14	6	233	-	-						RM/N-5
N-4	R0210	3	71	141	169	27							RM/N-4
N-3	R0220	21,895	8,675	- 35	8,888								RM/N-3
N-2	R0230	490	2,544	308									RM/N-2
N-1	R0240	4,136	4,390										RM/N-1
N	R0250	954											RM/N
		DY/0	DY/1	DY/2	DY/3	DY/4	DY/5	DY/6	DY/7	DY/8	DY/9	DY/10 and more	

S.19.01.21

Non-life insurance claims

S.19.01.21.02

Z Axis:

VG/Solvency II

Metric: Monetary

BC/Claims paid

BL/Non-life and Health non-SLT

AX/All members	Accident year / Underwriting year	Z0020	AM_8
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Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative). Total Non-Life Business

		In Current year C0170	Sum of years (cumulative) C0180	
Prior	R0100	-	-	RM/N-10 ≥ DY/10 and more
N-9	R0160	-	42,565	RM/N-9 DY/9
N-8	R0170	-	3,956	RM/N-8 DY/8
N-7	R0180	-	7,073	RM/N-7 DY/7
N-6	R0190	-	5,636	RM/N-6 DY/6
N-5	R0200	-	253	RM/N-5 DY/5
N-4	R0210	27	410	RM/N-4 DY/4
N-3	R0220	8,888	39,423	RM/N-3 DY/3
N-2	R0230	308	3,343	RM/N-2 DY/2
N-1	R0240	4,390	8,525	RM/N-1 DY/1
N	R0250	954	954	RM/N DY/0
Total	R0260	14,567	112,139	

TA/Non-cl TA/Accumulated

S.19.01.21

Non-life insurance claims

S.19.01.21.03

Z Axis:

VG/Solvency II

Metric: Monetary

DD/Undiscounted

BC/Liability

LB/Claim provisions [other than local GAAP specific]

BL/Non-life and Health non-SLT

AX/All me	Accident year / Underwriting year	Z0020	AM_8
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Gross undiscounted Best Estimate Claims Provisions - Development year (absolute amount). Total Non-Life Business

		0	1	2	3	4	5	6	7	8	9	10 & +	
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	
Prior	R0100											-	RM/N-10 and prior years
N-9	R0160	38,000	23,750	13,440	-	-	-	-	-	-	-		RM/N-9
N-8	R0170	7,500	7,644	7,936	7,970	8,166	7,725	3,938	-	-			RM/N-8
N-7	R0180	10,322	8,892	-	-	-	-	-	-				RM/N-7
N-6	R0190	11,230	50	150	133	-	-	-					RM/N-6
N-5	R0200	8,148	208	203	1	-	-						RM/N-5
N-4	R0210	6,985	336	277	82	-							RM/N-4
N-3	R0220	25,108	11,595	18,135	11,242								RM/N-3
N-2	R0230	14,511	501	2,322									RM/N-2
N-1	R0240	18,075	12,241										RM/N-1
N	R0250	18,723											RM/N
		DY/0	DY/1	DY/2	DY/3	DY/4	DY/5	DY/6	DY/7	DY/8	DY/9	DY/10 and more	

S.19.01.21**Non-life insurance claims****S.19.01.21.04****Z Axis:****VG/Solvency II****Metric: Monetary****DD/Discounted****BC/Liability****LB/Claim provisions [other than local GAAP specific]****BL/Non-life and Health non-SLT**

AX/All me	Accident year /		
	Underwriting year	Z0020	AM_8

**Gross discounted Best Estimate Claims Provisions - Current year, sum
of years (cumulative). Total Non-Life Business**

		Year end (discount ed data)	
		C0360	
Prior	R0100	-	RM/N-10 and prior years
N-9	R0160	-	RM/N-9
N-8	R0170	-	RM/N-8
N-7	R0180	-	RM/N-7
N-6	R0190	-	RM/N-6
N-5	R0200	-	RM/N-5
N-4	R0210	-	RM/N-4
N-3	R0220	10,843	RM/N-3
N-2	R0230	2,240	RM/N-2
N-1	R0240	11,806	RM/N-1
N	R0250	18,058	RM/N
Total	R0260	42,948	

Own funds

S.23.01.01.01

Z Axis:

VG/Solvency II

Own funds

		Total C0010	Tier 1 - unrestricted C0020	Tier 1 - restricted C0030	Tier 2 C0040	Tier 3 C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	10,000	10,000			
Share premium account related to ordinary share capital	R0030	-				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-				
Subordinated mutual member accounts	R0050	-				
Surplus funds	R0070	-				
Preference shares	R0090	-				
Share premium account related to preference shares	R0110	-				
Reconciliation reserve	R0130	31,060	31,060			
Subordinated liabilities	R0140	-				
An amount equal to the value of net deferred tax assets	R0160	612				612
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	72,000	72,000			
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	-				
Total basic own funds after deductions	R0290	113,673	113,060			612
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	113,673	113,060			612
Total available own funds to meet the MCR	R0510	113,060	113,060			
Total eligible own funds to meet the SCR	R0540	113,673	113,060			612
Total eligible own funds to meet the MCR	R0550	113,060	113,060			
SCR	R0580	78,413				
MCR	R0600	19,603				
Ratio of Eligible own funds to SCR	R0620	145%				
Ratio of Eligible own funds to MCR	R0640	577%				

S.23.01.01.02

Z Axis:

VG/Solvency II

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	113,673
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	82,612
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	31,060
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	1,918
Total Expected profits included in future premiums (EPIFP)	R0790	1,918

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

S.25.01.21.01

Basic Solvency Capital Requirement

		Gross solvency capital requirement	Simplifications
		C0110	C0120
Market risk	R0010	29,898	
Counterparty default risk	R0020	55,432	
Life underwriting risk	R0030	-	
Health underwriting risk	R0040	-	
Non-life underwriting risk	R0050	13,374	
Diversification	R0060	-	
Intangible asset risk	R0070	-	
Basic Solvency Capital Requirement	R0100	76,912	

S.25.01.21.02

Calculation of Solvency Capital Requirement

		Value	
		C0100	
Operational risk	R0130	1,501	RT/Operational risk
Loss-absorbing capacity of technical provisions	R0140		
Loss-absorbing capacity of deferred taxes	R0150		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003	R0160		
Solvency Capital Requirement excluding capital add-on	R0200	78,413	
Capital add-on already set	R0210		
of which, capital add-ons already set - Article 37 (1) Type a	R0211		
of which, capital add-ons already set - Article 37 (1) Type b	R0212		
of which, capital add-ons already set - Article 37 (1) Type c	R0213		
of which, capital add-ons already set - Article 37 (1) Type d	R0214		
Solvency capital requirement	R0220	78,413	
Other information on SCR			
Capital requirement for duration-based equity risk sub-module	R0400		
Total amount of Notional Solvency Capital Requirements for remaining part	R0410		
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420		
Total amount of Notional Solvency Capital Requirements for matching adjustment p	R0430		
Diversification effects due to RFF nSCR aggregation for article 304	R0440		

S.28.01.01

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

S.28.01.01.01

Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCR _{NL} Result	R0010	4,042

S.28.01.01.02

Z Axis:

VG/Solvency II

Background information

		Background information	
		Net (of reinsurance/SP V) 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		
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080	28,738	12,889
General liability insurance and proportional reinsurance	R0090	2,861	608
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

S.28.01.01.05

Z Axis:

VG/Solvency II

Overall MCR calculation

		C0070
Linear MCR	R0300	4,042
SCR	R0310	78,413
MCR cap	R0320	35,286
MCR floor	R0330	19,603
Combined MCR	R0340	19,603
Absolute floor of the MCR	R0350	2,983
Minimum Capital Requirement	R0400	19,603