



Solvency and Financial Condition Report

CA Auto Reinsurance DAC
Year End 2024
Approval Date 28th March 2025

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Introduction

The report is intended to provide essential information about the solvency and financial position of **CA Auto Reinsurance DAC** (referred to hereafter as **CA Auto Re**, or the **Company**) as at 31st December 2024, including information on the system of governance and the management and mitigation of associated risks over the reporting period.

CA Auto Re is a an Irish-based reinsurance undertaking fully owned by CA Auto Bank S.p.A (“CA Auto Bank”, “CAAB”, or “the Group”). The principal activity of the Company is to provide reinsurance cover related to the insurance benefits, such as Credit Protection Insurance (“CPI”) and Guaranteed Asset Protection (“GAP”), designed by primary insurers, and offered in conjunction to the financing products sold by the CAAB’s distributors or stand-alone in five European countries: France, Germany, Italy, Poland, and Spain.

CA Auto Bank, with almost a century of experience in motor financing and mobility services, was set up on the 3rd of April of 2023 with the full acquisition of the former FCA Bank S.p.A. by Credit Agricole Personal Finance & Mobility (“CAPFM”, part of Credit Agricole S.A. Group). CAPFM already owned 50% of the Joint Venture in place with FCA Italy (Stellantis N.V. Group). It has operations in 19 countries combining a wide range of financing and mobility services through innovative, flexible and sustainable products.



Regulatory background

This report is required by the regulatory regime for European (re)insurance companies, known as Solvency II Directive (“**the Directive**”), and is prepared in accordance with all requirements of the Delegated Regulations and the European Insurance and Occupational Pensions Authority (“**EIOPA**”) Guidelines. Article 51 of the Directive 2009/138/EC sets out the requirement for undertakings to publicly disclose a “report on their solvency and financial condition” on an annual basis – the Solvency and Financial Condition Report (“**SFCR**”).

The Company is rated *low* under the Probability Risk and Impact System (“**PRISM**”) risk rating of the Central Bank of Ireland (“**CBI**”).

Submission and Disclosure

This report is disclosed to the public in accordance with Article 301 of the Delegated Regulation which sets out the requirements regarding the publication of the SFCR. A copy of the SFCR is submitted to the CBI by 28th March 2025 and published on a dedicated repository on the website (www.centralbank.ie). The Company will also keep the SFCR publicly available to any party who requests them for up to 5 years following the disclosure date.

Structure of the report

This document is prepared in accordance with the proposed structure of the SFCR as outlined in the Delegated Regulation. This document is structured as follows:

- Section A provides details on the business of the Company and an assessment of the Company's performance over the reporting period;
- Section B provides a description of the system of governance of the Company;
- Section C provides details on the risk profile of the Company and the management of risk exposures;
- Section D describes the valuation of the assets and liabilities of the Company for solvency purposes;
- Section E provides details on the calculation of capital requirements, and outlines the Company's approach to capital management;

Appendix A contains the below annual Quantitative Reporting Templates ("QRTs"):

- S.02.01.01 - Balance sheet
- S.04.05.21 - Premiums, Claims and Expenses by Country
- S.05.01.02 - Premiums, Claims and Expenses by line of business
- S.12.01.01 - Life and Health SLT Technical Provisions
- S.17.01.02 - Non-life Technical Provisions
- S.19.01.21 - Non-life Insurance Claims Information
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Section D, Section E, Appendix A are subject to audit review by the Company's external auditors.

Executive Summary

Business and performance

The Company provides reinsurance cover related to the insurance benefits offered, in conjunction with the financing products sold by CAAB's distributors, a leading multi-brand player in the mobility sector, on a pan European scale.

- As at YE2024, the gross written premiums for CPI and GAP policies amounted to €13.6M.
- Overall, the Underwriting performance for YE 2024 is €6.8M (+€0.6M compared to 2023).
- The total financial income over the reporting period amounted to €1.7M, while general expenses were €1M.

System of Governance

The Company's system of governance is tailored to the nature, scale and complexity of the Company and has been implemented in accordance with the Corporate Governance Requirements, the CBI guidelines on Systems of Governance and the Pillar II requirements of the Solvency II Directive.

The Board of Directors meets at least four times per year and is composed of two Independent Non-Executive Directors, four Group Non-Executive Directors and one Executive Director who serves as the Chief Executive Officer of the Company. The Board retains ultimate responsibility for risk management and internal controls within the Company. It is responsible for ensuring that appropriate systems are aligned to the strategic business objectives and are continuously in place for monitoring management's performance in terms of risk management and internal controls.

The Board deems the governance system appropriate for the nature, scale, and complexity of the business and its inherent risks.

Risk Profile

As of 31st December 2024, as a composite reinsurance undertaking, the company is regulated by the CBI and is categorized as a Low-Risk company in the PRISM impact rating system. Section C of the report mainly details the measures, exposures, and mitigating actions for each of the following categories of risk: Underwriting Risk, Market Risk, Credit Risk, Liquidity Risk, and Operational Risk. Additional information on Environmental, Regulatory and Climate Risks have been reported under sections C.6 and C.7. There was no material change in the risk profile of the Company over the reporting period.

Valuation for Solvency purpose

The Company's assets at fair value as at YE 2024 are €66.3M, which are mainly composed by investment deposits and deposits to cedants, while the Company's Technical Provision are significantly reduced as a result of the expected increase of France GAP business.

Capital Management

The Board of Directors have the objective to always maintain a sufficient level of Own Funds to cover the Company’s SCR and MCR requirements, along with an additional buffer. The main objective of the Company with regards to Capital Management is to ensure that capital is always kept adequate

At end 2024, the SCR and MCR for the Company were as follows:

Amount of SCR and MCR	2024 (€000’s)	2023 (€000’s)
Solvency Capital Requirement	15,448	16,867
Minimum Capital Requirement	3,900	4,254

At year end 2024, the Own Funds are €56M significantly above the SCR resulting in a SCR ratio of 363%.

A.Business and Performance

A.1 Business Description

Name and Legal Form

CA Auto Reinsurance DAC is a designated activity company limited by shares registered under part 16 of the Companies Act, 2014.

The Company was incorporated in Ireland in 2008 and authorised by the Central Bank of Ireland to carry on the business of Reinsurance on a Free Movement of Services basis.

The Company's registered address is *15/16 Holly Avenue, Stillorgan Industrial Park, Dublin A94 XA72 (Ireland)*. The Company's registered number is 908579

The Legal Entity Identifier (LEI) Code of the Company is 635400TMJSFWVKAJSI97

Supervisory authority

As a reinsurance undertaking, the Company is regulated by the Central Bank of Ireland.

The Company institution code is C85771

CBI Registered address is: *Central Bank of Ireland, North Wall Quay, North Dock, Dublin D01 F7X3 (Ireland)*

External Auditor

The Company's external auditor is PriceWaterhouseCoopers

Registered Office: *One Spencer Dock, North Wall Quay, Dublin D01 X9R7 (Ireland)*

Firm registered number: 441285

Shareholders structure and details of the position within the legal structure of the Group

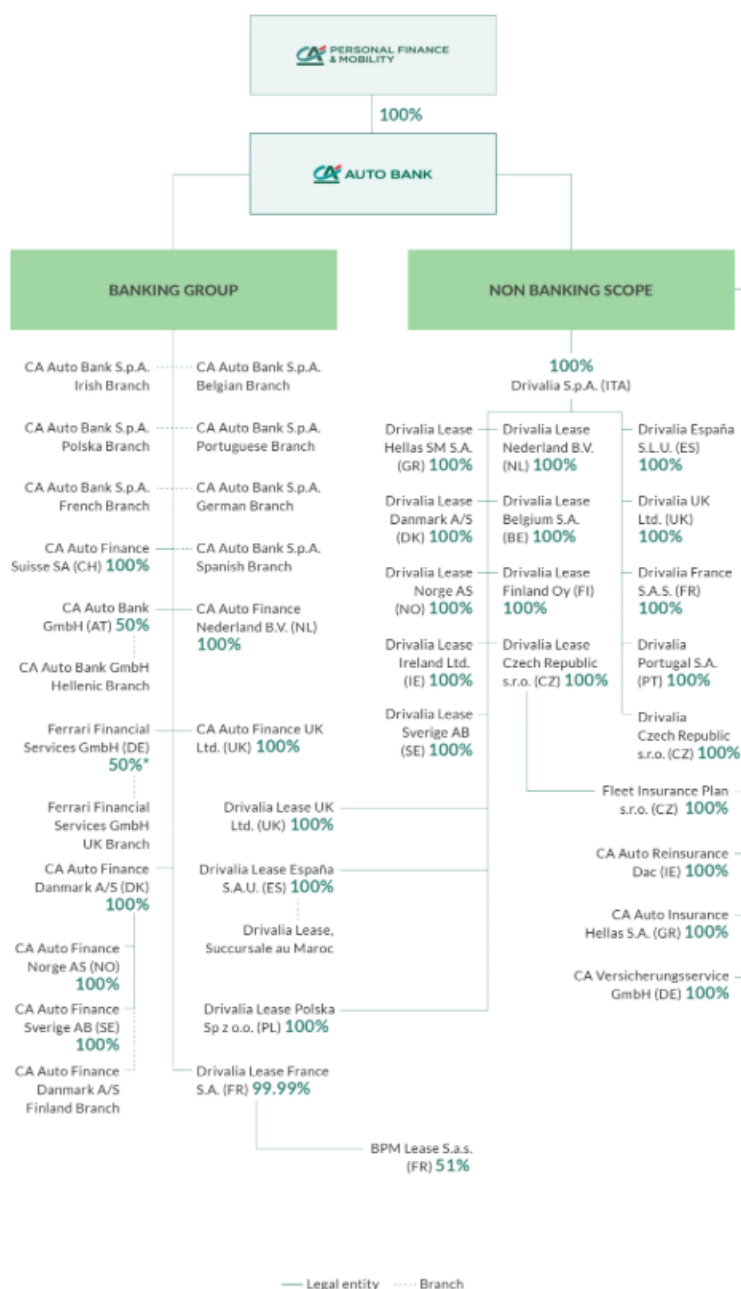
CA Auto Bank S.p.A. owns the entire shares of the Company since its incorporation in 2008.

A view of the overall shareholding structure is included below:

CORPORATE STRUCTURE CHART



SHAREHOLDING STRUCTURE CHART



Holding company and holder of qualifying holdings

CA Auto Bank S.p.A. is the sole shareholder of the Company.

CAAB is supervised by the European Central Bank as a “significant financial institution” as an entity of Credit Agricole Group.

Registered Office: Corso Orbassano n. 367, 10137 Turin, Italy

Share Capital: €700,000,000 fully paid up



www.ca-autobank.com

Material line of Business and Geographical areas

The Company provides reinsurance cover related to the insurance benefits, designed by primary insurers, and offered in conjunction with the financing products sold by the CAAB's distributors, leading multi-brand player in the mobility sector across Europe.

Prior to 2015, the Company only accepted reinsurance risk on Credit Protection Insurance ('CPI') policies inceptioned in 5 European countries (Italy, Germany, France, Spain, Poland) for Life and Non-Life risk. In 2015, the Company ceased to reinsure new policies in Italy and Poland.

The Company also has in place quota share retrocession arrangements which transfer 90% of its CPI risks, on a funds withheld basis, to its retrocessionaires. Policies inceptioned from 1st January 2025 will be retroceded to an alternative retrocessionaire. The Company also has in place quota share retrocession arrangements which transfer 90% of its CPI risks, on a funds withheld basis, to Hannover Re, for policies inceptioned up to 31st December 2022; AXA France IARD from 1st January 2023 to 31st December 2024; and to an alternative provider from 2025 onwards.

From 2019 onwards, the Company commenced reinsuring risks from “Guaranteed Asset Protection” (GAP) policies inceptioned in 4 countries, namely, Germany, France, Spain and Poland, followed by Italy in 2022 under the same reinsurance treaty.

The CPI policies reinsured by the Company are ceded from Credit Agricole Credit Insurance (CACI) Irish-based insurance company also controlled by Credit Agricole Group, while GAP policies are underwritten by AXA France IARD (AXA), headquartered in Paris (France).

While GAP business generates a higher profit than CPI, both the lines of business are considered material. Below an overview of active portfolios reinsured by the Company as at 31st December 2024:

Market	GAP	CPI
Germany	v	v
France	v	v
Spain	v	v
Italy	v	Run-off
Poland	v	Run-off

Significant business or external events over the reporting period

On 15th April 2024, the Company changed its registered office address from *29 Fitzwilliam Place, Dublin D02 YY38 (Ireland)* to *15/16 Holly Avenue, Stillorgan Industrial Park, Dublin A94 XA72 (Ireland)* with Companies Registration Office.

On 14th July 2024, Mr Luca Caffaro, Group Chief Financial Officer, following approval from the Central Bank of Ireland, has been appointed as Chair and Non- Executive Director of the Board of Directors of CA Auto Reinsurance DAC. Accordingly, the total number of Board Directors has increased to seven members.

In 2024, the Company entered two separate fixed deposits with Group, representing a material intragroup exposure subject to the *CBI's CP150 - Guidance for (Re)insurance Undertakings on Intragroup Transactions and Exposures*.

A.2 Underwriting Performance

The Company's gross written premiums, net of cancellations, inception in 2024 with respect to CPI (Germany, France, Spain) and GAP (Germany, France, Spain, Italy, Poland) policies are reported by countries in the table below.

Gross Written Premium	Breakdown %	2024 (€000s)	2023 (€000s)
Germany	38%	5,119	5,497
France	31%	4,162	3,602
Italy	24%	3,201	9,171
Spain	6%	834	1,011
Poland	2%	281	427
Total	100%	13,597	19,708

The German market represents the biggest share of volumes on an overall basis, being the major market for CPI line of business. Italy represents the biggest market for GAP. From 2025, the French market is expected to become the market with highest premiums for both CPI and GAP, following a recent merger of Sofinco Auto Moto Loisirs with CA Auto Bank France. The individual covers within the CPI policies distributed by the CAAB group include Life, Health, and Non-Life perils. GAP risks are classified as a non-Life peril as they cover the loss or damage of a vehicle.

The policies are multi-year policies with single premium payable at inception (Spain, Italy and partially Germany) or regular premium paid monthly (France and partially Germany). The Company thus earns the premium over the full term of the policies and reflects its earned commission income and commission expenses accordingly. Similarly, the Company pays commissions to its cedants based on the earning pattern of the gross premiums written by the Cedants at source; while, in the case of retrocession arrangements, commission are received from the reinsurer. Breakdown by line of business, compared to previous year, is shown below:

€000's	2024			2023		
	Life	Health	Non-Life	Life	Health	Non-Life
Gross Written Premiums	2,975	1,727	8,895	3,350	2,249	14,109
Outward Reinsurance Premium	(2,677)	(1,553)	(99)	(3,015)	(2,024)	(50)
Change in provision	26	(812)	1,519	39	(962)	(6,416)
Change in provision (Reinsurer)	(23)	731	58	(35)	865	113
<i>Net Earned Premium</i>	300	93	10,373	339	129	7,756
<i>Net commission income</i>	335	100	(1,729)	488	247	(1,238)
<i>Net Claims Incurred</i>	26	(7)	(2,732)	(96)	(6)	(1,504)
Underwriting Performance	661	186	5,913	731	370	5,014

Overall, the Underwriting performance for YE 2024 is €6.8M (+€0.6M compared to 2023), which does not include income generated from Profit Share arrangements, Interest Income, and Administration Expenses, detailed under Section A.4

The main driver of the Underwriting Performance is the Non-Lifeline of business, driven by the surge of business in GAP Italy which commenced in 2022.

A.3 Investment Performance

Investment performance compared to prior year as per financial statements

The Investment Policy of the Company, as approved by the board, is to invest all of its surplus assets in current accounts and short-term bank deposits as well as in investments with the parent company. Over the reporting period, the Company has invested in three fixed deposits, two with Group and one with an external institution, benefiting of the favourable interest rate environment.

The overall cash position for YE 2024 is presented below with a comparison with the previous year:

Investment Assets	2024 (€000s)	2023 (€000s)
Current Accounts	2,600	5,200
Fixed Deposits	22,600	17,000
Group Cash Pooling	66	0
Total	25,266	22,200

The total financial income over the reporting period amounted to €1.7M, net of bank charges, and consisted of interests on fixed deposits and also interests on funds withheld by cedants.

A.4 Other Income and Expenses

Over the period, material *Other Income and Expenses* were composed of general expenses and profit generated from Company's investments and from the *profit share* arrangement for CPI portfolio.

The following table shows the other operating income and expenses of the Company for 2024 and 2023.

Other Income / (Expenses)	2024 (€000s)	2023 (€000s)
Net Profit Share and Stop Loss Fees	2,704	(45)
Net interest income	1,739	995
Administrative expenses	(1,027)	(1,029)
TOTAL	3,416	(79)

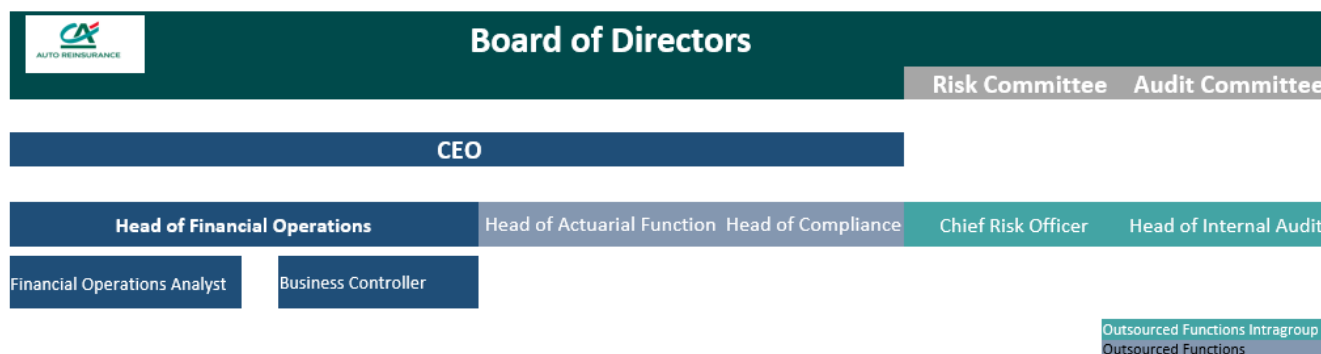
B. System of Governance

B.1 General Governance Arrangement

B.1.1. Organisation Design

As of 31st December 2024, the Company has 4 FTEs

A simplified view of the governance and organisational structure is designed as follows:



The Board of Directors meets at least four times per year and is composed of two Independent Non-Executive Directors, four Group Non-Executive Directors and one Executive Director who serves as the Chief Executive Officer of the Company.

The Board operates in accordance with the CBI regulations and with the Irish Company Law and has an annual forward planning agenda in place to ensure that all the relevant items are covered during the year.

The following table provides the names, nationalities, and roles of the directors:

Name	Position	Nationality
L. Caffaro	Chair and Group Non-Executive Director	Italian
G. Carelli	Vice- Chairman and Group Non-Executive Director	Italian
A. Hughes	Group Non-Executive Director	British
B. Judge	Group Non-Executive Director	British
B. McCarthy	Independent Non-Executive Director	Irish
B. Neilan	Independent Non-Executive Director	Irish
R. Russo	Executive Director (CEO)	Italian

- The Board retains ultimate responsibility for risk management and internal controls within the Company. It is responsible for ensuring that appropriate systems are aligned to the strategic business objectives and are continuously in place for monitoring management's performance in terms of risk management and internal controls.

- The Board carries out a self-assessment of its performance on an annual basis.
- The Board set up two committees: the Audit Committee composed of two INEDs and one NED; and the Risk Committee composed of two INEDs and an ED.

The duties of the Risk Committee are, inter alia:

- Advising the Board of the Company's appropriate risk appetite;
- Advising the Board on risk tolerance for the current business and for future strategy, considering the Company's overall risk appetite, its current financial position, and CA Auto Re's ability to manage and control risks as part of the proposed strategy;
- Recommendations to the Board on an appropriate and effective risk strategy, framework and resource plan to support the Company's business strategy;
- Carrying out of a detailed risk review of the Company, at least twice per year, with findings reported to the Board;
- Development of an appropriate risk appetite metrics for each of the major risk classes and oversight of a reporting system to the Board which summarises the Company's position vis a vis the risk metrics;
- Advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, amounts, types and distribution of both internal capital and own funds, adequate to cover the Company's risks;
- Monitoring and challenging the actual exposure to risk and recommending that appropriate actions are taken to manage exposures within the risk appetite parameters set by the Board. This monitoring task includes a regular review of the operational risk;
- Advising the Board on the annual ORSA and Recovery Plan process, proposing relevant stress scenarios to model through the Company's economic capital model and proposing to the Board recovery options as well as the overall solvency capital needs of the business, if different from the SCR calculated by the EIOPA standard formula;
- Reviewing risk implications of proposed business developments within the reinsurance businesses. In particular, this includes considering new reinsurance concepts and the use of new reinsurance products and, if appropriate, recommending them to the Board;
- Overseeing the ongoing development, implementation and operation of the risk strategy, framework, and resource plan.

The duties of the Audit Committee are, inter alia:

- Considering the annual audit plans (internal and external) and the scope of the specific audit engagements, ensuring that co-ordination of audit effort is maximised;

- Reviewing the findings of all audit reports and overseeing the implementation of any recommendations accepted;
- Ensuring satisfactory completion of the annual statutory Financial Statements, annual regulatory returns and the audit of same;
- Review and assessment of the system of internal controls for the Company, to ensure it to be consistent and effective;
- Oversight of the completion of the annual solvency and financial condition report and the regular supervisory report, when required.

Company Secretary Services are provided by Artex Risk Solutions (Artex)

As at 31st December 2024, the four key functions required by the Solvency II regulations are resourced as follows:

Key Function	KFHs	PCF
Compliance (Artex)	C. Kelly	PCF12
Internal Audit (CA Auto Finance UK)	N. Chauhan	PCF13
Risk Management (CA Auto Finance UK)	J. Sundararajan	PCF14
Actuarial (Artex)	P. Leonard	PCF48

- The Compliance function is outsourced to Artex with the PCF12 role carried out by C. Kelly, an employee of Artex. The compliance function has a direct reporting line to the Board and is overseen by the CEO.
- The Internal Audit function is outsourced to CA Auto Finance UK Ltd with the PCF13 role assigned to N. Chauhan, an experienced senior internal audit manager. The Head of Internal Audit reports to the Audit Committee, while the intragroup Service Level Agreement is overseen by the CEO.
- The Risk Management Function is also outsourced to CA Auto Finance UK Ltd and it is regulated under the same Service Agreement mentioned above for Internal Audit services. The PCF14 role is assigned to J. Sundararajan, an experienced senior risk and compliance manager who is a former employee of the Company. The CRO reports to the Risk Committee while the intragroup Agreement, as already mentioned, is overseen by the CEO.
- The Actuarial function is outsourced to Artex and the Head of Actuarial Function role is assigned to P. Leonard, who reports directly to the Risk Committee and is overseen by the CEO.

B.1.2. Remuneration policy and practices

The Company's approach to remuneration is based on and fully aligned to, the Group's remuneration approach, which is based on the following principles:

- Integrity and ethical behaviour;
- Clear governance;
- Full compliance with regulatory requirements and with the Code of Conduct that CA Auto Re has adopted;
- Remuneration programs that address the expected leadership standards and business results;
- Compensation structure that does not provide incentives to encourage employees to take risks that are not in line with the Company's risk profile;
- Sustainability of remuneration and alignment with corporate results and individual performance;
- Internal remuneration equity and competitiveness towards the external market; and
- Retention and motivation of the most strategic talents, at all levels of the organization.

The Company approach is based on a balanced package of fixed and variable elements, acting on the motivation and retention of employees and guaranteeing fairness and the consistency of the remuneration systems

B.1.3. Material transactions with related parties

During the year the Company reinsured premium of €2.9m and €1.8m from CACI Life DAC and CACI Non-Life DAC respectively. CACI Life DAC and CACI Non-Life DAC are both operations within the Crédit Agricole Group, which is the ultimate owner of the Company, as reported in Section A.1.

As at the year-end there is a combined balance of €1.4M receivable from CACI Life DAC and CACI Non-Life DAC.

As of 31st December 2024, the Company had invested €18.5M on two separate intragroup fixed deposits. Both transactions have been made in accordance with the CBI Consultation Paper 150 "*Guidance for (Re)Insurance Undertakings on Intragroup Transactions & Exposure*"

B.2 Fit and Proper Requirements

The Company has a Fitness & Probity policy outlining procedures for assessing the competence and capabilities required for all key functions within the organization. This policy ensures compliance with the Central Bank of Ireland's Standards of Fitness and Probity.

Key functions are those defined as 'Controlled Functions' (CF's) and 'Pre-Approval Controlled Functions' (PCF's) in Schedule 1 & Schedule 2 of the S.I. No. 615 of 2011, or as amended in subsequent legislation.

An individual is required to have the competence necessary to perform the CF or PCF for which he or she is proposed. The Board tests this with regard to the qualifications and experience of the individuals, their knowledge of the business of the regulated financial service provider as a whole and the specific responsibilities and requirements of the proposed role, which are documented in the fitness & probity checklist completed as part of the due diligence process.

In particular the Board considers:

- whether the person has shown the capacity previously to undertake similar responsibilities of the position;
- the existing responsibilities of the individual including but not limited to the number of existing directorships held by the individual;
- the degree of competence and proficiency to undertake a relevant function that the person has demonstrated in a previous or current role.

The Board also consider the person's character and reputation and their financial soundness before confirming them in a CF or PCF role. This process includes a self-assessment attestation by the individual which is aligned to sections 4.1 and 5.2 of the Standards of Fitness and Probity issued by the CBI pursuant to section 50 of the Central Bank Reform Act 2010.

The initial as well as an ongoing due diligence carried out by the Company includes regulatory checks for any sanctions published, director restrictions or disqualifications, checks against bankruptcy and criminal judgement databases as well as professional qualifications (if applicable) and the evidence of current subscriptions.

B.3 Risk Management System (including Own Risk and Solvency Assessment)

The Board and Senior management recognise the importance of:

- Implementing an appropriate risk management system;
- Promoting an effective risk management culture within the organisation and ensuring financial stability through the mitigation of the main risks;
- Reviewing and renewing the risk management framework on a regular basis.

The Company has a robust system of governance and risk management framework in place, which is proportionate to the nature, scale and complexity of the Company and its operations. A simple representation of the Framework is illustrated below:



From 2025, the Company's Risk Management system must comply with the requirements of the new Digital Operational Resilience Act (DORA). This directive aims to establish uniform standards for the security of networks and information systems while enhancing oversight of critical ICT third-party providers.

The primary goal of the Risk Management system is to provide guiding principles to protect the interests of cedants, stakeholders, shareholders and employees and to put appropriate controls in place to ensure that the principles set are implemented. It is recognised that any failure in the Risk Management system could lead to acceptance of risks in a form or quantity that may:

- result in an unsupported financial loss;
- lead to negative reputational damage to the organisation as well as to its parent company and related affiliates;
- lead to the loss of the key personnel within the organisational team that is required to run a successful operation; and,
- lead to non-adherence to the regulations.

The risk management framework is a compilation of processes, procedures, actions, and communications designed to ensure all relevant risks have been identified, assessed, addressed, and monitored on an annual basis through the correlation of the following components:

- Risk Management Policy;

- Risk Appetite Statement (“RAS”);
- Risk Register;
- The Own Risk and Solvency Assessment (ORSA);
- Recovery Plan;
- Operational Resilience Framework (incl. Risk Incident Log);
- Other risk management policies.
- Digital Operational Resiliency Act (DORA)

The Risk Management Policy, RAS and other risk management policies are approved by the Board of Directors and outline guidelines and core expectations are established for the management of risks within the organisation.

In particular, the Risk Appetite Statement defines the level of risk that the Company is willing to assume within its risk capacity to achieve its strategic objectives and business plan.

The Risk Register is the main tool currently used by the Company to identify and assess risks in accordance with the steps set out in the Risk Management Policy which are identified as: Risk identification, Risk assessment, Risk control & monitoring and Risk mitigation. Those risks are assessed on a regular basis and actions are addressed where controls are not effective.

The Risk Management framework & associated Risk Appetite Statement are currently considered appropriate and proportionate to the Company based on:

- the size of the business operations;
- the primary business activities relate to the reinsurance of underwriting risks in a niche marketplace predominantly associated with consumer finance products in the auto financing industry.

The nature of the Company’s business activities is to accept the risks, on a quota share reinsurance basis, included within the terms of the original policies, and therefore the risk strategy includes acknowledgement of insurance risk and the ability to mitigate and control the risks inherent in the activities of an insurer.

The ORSA process enhances this risk management framework and facilitates consideration by the Board of the capital requirements of the business, having regard to the nature of business written and the way it manages risks on an ongoing basis.

The ORSA process is carried out at least once per year, with a plan to update it during the interim period where the Company’s strategy, or the business environment, changes in any material way. The Board thus review the ORSA output and determine the Company’s overall solvency needs on an annual basis.

In preparation for the ORSA, the Company prepares a five-year business plan, aligned to the Company strategy agreed by the Board. The Risk Committee of the Board considers the key risks facing the Company which develops a number of possible scenarios which could have a material impact on the

Company's business plan, both positive and negative, and consequently on the Company's capital position.

Based on the above, the Company's Board and the Risk Committee, using the Solvency II standard model functionality, (i) assesses the Solvency Capital Requirement (SCR) for the Company for each of the periods of the plan, (ii) examines the potential impact on the SCR of the various risk scenarios deemed relevant. The impact on the SCR is considered, in quantitative terms by building models to stress the five year business plan or alternatively, through a narrative approach which seeks to understand the implications, in relative terms, of a realisation of any of the risk scenarios, including the impact on capital requirements.

Having completed the process above based on the Solvency II Standard Model, the Board must consider if the model is suitable in all respects to determine the overall solvency needs of the Company, both for the short term and the medium term.

Applying the Solvency II Standard Model to the Company, it can be seen that the key elements of the capital requirement are (i) Counterparty Default Risk, (ii) Insurance Risk (Life, Health and Non-Life), and (iii) Operational Risk.

The Board considers the calculated SCR, based on the application of the standard model, to be appropriate for the short-term capital needs of the business.

The medium / longer term assessment of overall solvency needs is correlated with the projected business plan, the stress scenarios applied to the business plan, and the general consideration of potential risk impacts.

The Board consider it prudent to set a medium-term solvency target buffer which is monitored in addition to the SCR balance. The Company has determined that it is appropriate, in the medium term, to set its overall solvency needs at 120% of its SCR. A breach of this limit would require immediate escalation to the Board of Directors.

B.4 Internal Control System

The Company has established an Internal Control Policy which clearly sets out the nature of the internal control system for the business.

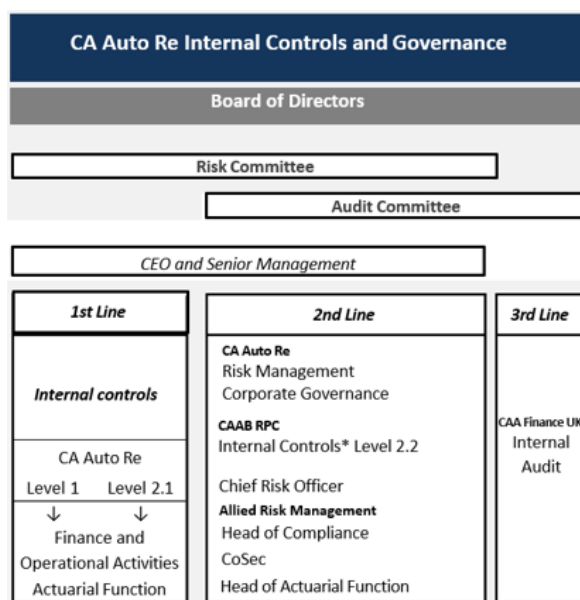
The internal control system comprises

- a) Board level controls;
- b) operational controls; and
- c) the independent control functions, including the Compliance Function.

Board level controls include the development of, and dissemination by, the Board of company policies. These policies are documented for significant areas of control and clearly set out the Company's

objectives, the responsibilities of the various stakeholders, and the level and frequency of reporting activities to the Board.

Board level controls also include the set of activities reserved by the Board (and listed in the Board charter) for their pre-approval, and the development and implementation of a delegated authorities schedule which clearly sets out those activities which are delegated to the various levels of management in the business



The Company also adopts a three lines of defence risk management framework:

In the first line of defence operational controls are determined through the documentation of internal and outsourced processes with key control points listed and monitored. Both manual and automated controls are defined, and each is assigned a business owner and a frequency. The business owner is responsible for this risk. Monthly validation reports are prepared and reviewed internally.

The second line of defence includes the Compliance, Actuarial and Risk Management Functions. The Risk Management Function is currently insourced with the Head of Function role provided by John Sundararajan, employed by Group Company. The Compliance and Actuarial Function is currently outsourced to Artex with Ms Kelly acting as Head of Compliance and Mr Leonard acting as the HoAF. The third line of defence is Internal Audit, which is carried out by Mr Chauhan, a group employee from CA Auto Finance Uk Ltd, as reported under Section B.5.

The Compliance Function is responsible for:

- Documentation of all relevant obligations of the Company from legislation, regulatory codes and guidelines, and internal policies and its assessment of the Company's performance in this regard;
- Reporting to the Board to provide assurance regarding the compliance of the Company; and
- Provision of compliance support to the business, including advice on requirements and relevant training to the Board and employees of the Company.

B.5 Internal Audit Function

The Internal Audit Function is resourced from the CA Auto Finance UK, an intra-group entity, with the Head of Function role carried out by a senior member of the Internal Audit Function of the UK.. The Head of the Internal Audit Function reports to the Audit Committee.

Risk Mapping systematically identifies and evaluates company risks and controls in place to mitigate them, with a view to providing the basis for the multi-year audit programme and the yearly audit plan and establishing the priorities for the audit missions based on a “risk level” of the activity/process to be audited and the level of reliability of the Internal Control System of the Company.

The multi-year audit programme is derived directly from the auditable risk mapping. The multi-year programme is updated each year, when drawing up the yearly audit plan.

It is important that the Internal Audit Function maintains its independence and objectivity from the activities it reviews. It is a requirement of the internal audit policy established by the Company that those employees working within the Internal Audit Function do not carry out any roles / activities within the organisation which would be outside of the sphere of Internal Audit activities.

B.6 Actuarial Function

The Company has outsourced the provision of actuarial services, and the Head of Actuarial Function to Artex, a firm of actuarial consultants in Dublin.

The Head of Actuarial Function attends the Board and Board Committee meetings of the Company. A Letter of Engagement and accompanying Statement of Work is agreed by the Company at the beginning of each year covering the following activities to be implemented by the Actuarial Function:

- co-ordination of the calculation of the technical provisions (best estimate liability and risk margin);
- assessing the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- assessing the sufficiency and quality of data used in the calculation of technical provisions and providing recommendations, where appropriate on measures to improve data quality (annually);
- comparing best estimates against experience;
- informing the Board of the reliability and adequacy of the calculation of technical provisions;
- preparing and presenting an annual Actuarial Function Report to the Board, including the expression of an opinion on the overall underwriting policy, and on the adequacy of reinsurance arrangements;
- contributing to the effective implementation of the risk management system, in particular with respect to the risk modelling underlying the calculation of the MCR, SCR, ORSA and Recovery Plan processes; providing an actuarial opinion to the Board in respect of the ORSA process of

the Company;

- provision of an Actuarial Opinion on Technical Provisions ('AOTP') to the CBI (based on the figures submitted in the annual QRTs);
- Provision of an Actuarial Report on Technical Provisions ('ARTP') to the Board, which supports the AOTP;
- Providing exclusively some of the quarterly and annual QRTS, supporting Management in the preparation of other quarterly and annual QRTs as well as providing the quarterly SCR and inputs into the SFCR and RSR/Summary RSR reports.

B.7 Outsourcing

The Board has established an outsourcing policy which requires, at least, the following checks to be carried out when selecting an outsourced service provider:

- the ability and capacity of the provider to deliver the required activities satisfactorily, in both normal and stressed circumstances;
- assessment of the financial strength of the service provider;
- assessment of the economic and reputational status of the service provider;
- verification of the absence of any explicit or potential conflict of interest arising on appointment of the service provider;
- consideration of the independence of the provider, where such is required;
- the level of dependence on the service provider and the company's risk appetite in this regard; and
- the location and sub-outsourcing arising from the appointment of the service provider and the risks associated with same.

The Company's outsourcing policy also requires a written agreement to be drawn up between the outsource service provider and the Company with specific consideration of the procedures set out in the Fitness and Probity Policy for individuals carrying out controlled activities.

The agreement complies with relevant laws and regulations and contains, through specific clauses and annexes, at least the following:

- service description, contract duration and the related fees;
- the level of quality expected of the service provider, by defining SLA – Service Level Agreement and/or KPI – Key Performance Indicators;
- details about the regular reporting on the service provider's activity to be submitted by the

Outsourcer, if applicable;

- the right for the Company to perform controls (directly or through its Parent Company or agents) on all services provided under the agreement;
- the provision of emergency mechanisms, to be tested at least once a year, to ensure the continuity of the business provided under the agreement;
- the agreement to contain details of exit clauses with time frame for transfer of service defined;
- the confidentiality, data protection, data security and information security provisions;
- the IT Cyber Security compliance with the relevant guidelines.

All outsourcing contracts and specific general terms and conditions are approved by the Board of Directors and the agreement is signed by an authorised signatory.

The Company has an outsourced service supervision model in place which requires:

- the management to perform a regular monitoring of each key SLA in place;
- the Board to be regularly informed about the status of outsourcing contracts, the results of SLA monitoring and corrective measures put in place with the service provider;
- the identification and valuation of major risks associated with outsourcing, which is included in the operational risk mapping activity, and
- the reporting to the Board of any major incidents and potential losses greater than €20k associated with outsourced activities.
- a confirmation of the service providers' business continuity plan and testing;
- the risks associated with outsourcing to be included in the Company's Risk Register and the associated risk mitigation plans to be reviewed on an annual basis, considering new emerging risks;
- the Company to maintain a register and a detailed outsourcing dossier for all outsourced service providers and review their performance and their importance to the Company on an annual basis.
- the Company to carry out a periodic tender process of the outsourced key functions (at least every 5 years). However, the Board can decide to extend this period if the timing of the tender coincides with critical changes or endeavours of the Company and conducting the tender would present a risk of destabilising Company's operations.

The following is a register of outsourced providers for both essential and standard operational functions.

Service	Operating Country	Jurisdiction	Group/ Third Party
Actuarial / HoAF	Ireland	Ireland	Third party
Compliance/Co.Sec/Accounting	Ireland	Ireland	Third party
Head of Internal Audit	Ireland	UK	Group
CRO	Ireland	UK	Group

B.8 Assessment of Governance

The Board deems the governance system appropriate for the nature, scale, and complexity of the business and its inherent risks. The Company is subject to the Corporate Governance Requirements for Insurance Undertakings 2015 but does not fall in scope for the additional requirements for major institutions due to its low PRISM rating.

C.Risk Profile

C.1 Underwriting Risk

C.1.1. Risk Exposure

The Company accepts, on a quota share reinsurance basis, CPI (Life, Accident & Sickness, Unemployment, and Disability) and GAP risks related to the consumer finance customers of CAAB in Germany, France, Spain, Italy and Poland. GAP policies cover the potential shortfall experienced by the customer where a vehicle is damaged or stolen and deemed to be a total loss.

The main insurance risks are related to claims experience being higher than the assumptions in the pricing of the products. This could arise because of economic evolution in the markets in which the risks are covered or because of claims shocks due to concentration exposure, pandemic, change in insurance regulations in individual countries.

Reported below are the SCR Underwriting Risk split by line of business for 2024 and 2023:

SCR Underwriting Risk	2024 (€M)	2023 (€M)	Movement (€M)
Life Underwriting	2,173	1,304	869
Health underwriting	458	702	(244)
Non-Life underwriting	14,751	16,440	(1,689)

The key driver behind the movement in the SCR modules of Underwriting Risk is mainly due to the decrease in Non-Life underwriting risk module, which is the highest component of the SCR. This is due to a reduction in net premium volumes as a result of the introduction of a retrocession arrangement for the GAP business from 2025.

C.1.2. Risk Concentration

The Company seeks to reduce concentration of risks by accepting reinsurance of risks which are sourced across two business lines with different risk structures and covers, and across several countries in Europe. Also, risk is mitigated by limits per customer and per country which are applied by the Cedants within the books of business ceded to the Company.

Concentration risk is further mitigated by the geographical diversification of the business.

C.1.3. Risk Mitigation

The main method of risk mitigation for the CPI business is the retrocession of a proportional share of risks to other reinsurers, which however would result less effective in case of profit share arrangements.

In relation to GAP business line, the Company benefit of a stop loss cover whereby the insurer would retain future losses in excess of 100% and up to 200% of the total premiums earned in respect of policies

underwritten in the period of the reinsurance treaty.

The Company analyses and reviews actual claims experience on an ongoing basis, receiving policy level data on claims from the Cedants monthly. Any significant spikes in claims experience are discussed with the insurer, who also maintains a close watch on its experience and has the opportunity to propose price increases on the products (for new business) if necessary.

The underwriting risks limits are defined and set on annual basis, both at the aggregate level and at the individual business lines level, whereby the Company takes the higher of observed loss ratios since inception and the recent emerging loss ratios plus an additional margin for prudence to cover unforeseen events.

On a quarterly basis, claims experience reports are brought to the Board for consideration.

C.1.4. Risk Sensitivity

The Company uses stress testing and/or sensitivity analyses to investigate the potential development of its solvency needs and how it might meet its capital requirements in various scenarios. The stresses applied to the ORSA 2024 on premiums and claims capture the exposure to underwriting risks, which, considering the business model of the Company, could potentially have a negative impact not only on the technical result but also on the strategy and risk counterparty. The underwriting risks were stressed as part of the following scenario:

- *Change in premiums:* The level of expected premium volumes is one of the key drivers of the underwriting risk component of the SCR, especially in relation to the Non-Life risk, as a result of the new business volumes generated from the French market for GAP. A decrease in business was also run as a scenario as part of the ORSA.
- *Claims Risk:* As claims represent the greatest outflow of the Company, any change in the incidence or value of claim events would have an impact on both underwriting profits and the solvency position of the Company. An additional claims risk scenario (emerging of “latent claims” – 10M euro) was run this year as part of the ORSA stresses.

C.2 Market Risk

C.2.1. Risk Exposure

The Company is subject to market risk in respect of the investments in fixed term deposit. Also, it is relatively exposed to interest risk and currency risk, as explained below; both exposures are mitigated against fluctuation of the financial markets by the Company.

The only other assets on the Company's balance sheet exposed to market risk are reinsurance recoverable. These assets are exposed to interest rate risk based on any mismatching with claims

liabilities.

The Company has some currency exposure to claims liabilities in Polish Zloty, but this was immaterial at YE 2024 and was not allowed for in the SCR calculation.

C.2.2. Risk Concentration

The Company is not subject to any material market risk, outside the assets held as described above. The Company has only a material exposure to its parent company, having invested around 60% of its cash in a fixed deposit account, which, however, would not be affected by fluctuation of the market.

Currency Risk is only limited to the Polish Zloty and therefore considered minor in respect of the entire business.

C.2.3. Risk Mitigation

The Company is not subject to any material market risk and exposure. The limits on the type of investments, set by the Investment Policy, is the main method of risk mitigation.

C.2.4. Risk Sensitivity

The Company is not subject to any material market risk and thus has no material risk sensitivity in this area, in addition to the capital charger of the Standard Formula.

C.3 Credit Risk

C.3.1. Exposure

Counterparty risk is one of the most significant risk components of the solvency capital requirement.

The Company is exposed to counterparty default risk with respect to its investments in bank deposits, including a material intragroup investment with Group.

In addition, the Company writes its underwriting business through funds withheld resulting in a significant level of unearned premiums, net of unearned commissions, withheld by the cedants. This creates a further credit risk exposure in relation to the funds withheld than to the cedants.

For the GAP business, under the stop loss structure in place, the Company may additionally be exposed to counterparty risk with the cedant to the extent of a future triggering of the stop loss option.

C.3.2. Concentration

The credit risk exposure of the Company is quite concentrated with CACI and AXA in respect of the funds withheld related to the CPI and GAP businesses, and as well with its parent company in relation to the fixed deposit investment. The exposure to credit risk at the end of 2024 is as follows:

Credit Risk Exposure	31/12/2024 (€000's)
Current Accounts and Deposits	
External Banks (Ireland)	6,756
Intragroup (Italy)	18,500
Due from Cedants	
CACI Life/Non-Life Dac	9,221
AXA France IARD	18,070
Total	52,547

C.3.3. Mitigation

The Company has an investment policy approved by the Board which requires available resources to be invested at any time with at least two counterparties to mitigate the concentration risk and each counterparty (except the parent company) must not hold more than 50% of the total available resources. The Investment Policy prohibits investment in assets lower than a minimum defined credit grade.

The reinsurance treaties with Cedants are written to terminate in the instance of an insolvency event within the Cedant thus relieving the Company of any reinsurance liabilities with respect to those premiums which have been unearned and are withheld by the Cedants. Notwithstanding the insolvency clause, a default by the Cedants would have an impact on the solvency coverage of the Company in that its assets would be reduced by the value of future margins to emerge from those risks which have not yet been earned. Under Solvency II methodology this value is encapsulated in the technical provisions. In addition, non-exclusivity clauses might also be included in the reinsurance treaties with cedants.

The Company monitor the investment risk on a regular basis and report it at least quarterly to the Board.

C.3.4. Risk Sensitivity

A default by any of the counterparty would have a consequent impact on the Company's own funds. With regards to credit risk, the Company performed the following sensitivity as part of the ORSA process in 2024:

- *Default of external bank with the highest exposure.* Despite these results in decrease in Own Funds, the impact on the SCR is not significant and the Company is capable of withstanding a significant bank default remaining in a strong capital position.

C.4 Liquidity Risk

C.4.1. Exposure

Liquidity risk is the risk that a company does not have sufficient financial resources to enable it to meet its obligations as they fall due, even where the company is solvent. The type of business written by the Company, which does not involve significant costs of acquisition, is such as to ensure very little exposure by the Company to liquidity risk.

The Company's exposure is also limited through its investment policy, which is to invest surplus assets in immediately accessible bank current or call deposit accounts.

Considering liquid assets include all operational cash accounts and all deposit accounts, the Company's exposure to liquidity risk is considered to be low since it maintains a high level of liquid assets to meet its liabilities.

C.4.2. Concentration

With no material liquidity risk exposure, the Company does not suffer from any concentration of liquidity risk.

C.4.3. Mitigation

As mentioned above, the Company's exposure to liquidity risk is mitigated through the Investment Policy limits. The main limits are:

The main methods for mitigating liquidity risks are described below:

- Investments in liquid assets: Investments are only allowed in liquid assets
- Investment in high credit quality: Investment are only made in assets with a high credit rating quality.

C.4.4. Risk Sensitivity

With no material liquidity risk exposure, the Company does not have any liquidity risk sensitivities.

C.5 Operational Risk

C.5.1. Exposure

The Company is reliant on a limited number of staff to support the running of the core operations for both CPI and GAP business lines. The Company business volumes have increased since 2022 and are expected to further increase over the business plan horizon. While this bolsters company's profitability, it also exposes the Company to additional risks and challenges. The Board has the responsibility to ensure the business is resourced and controlled adequately.

The Company also outsources a number of its key functions to Group and to external third-party providers. The nature of the business model is such that failure or unavailability of a third-party provider can have significant impact on the Company's ability to execute its critical business services.

As at YE 2024, the Company is in the process of fully integrating with the ISO 27001 certified IT infrastructure of Drivalia Lease Ireland, a group company. This includes hosting the new reinsurance software system on Drivalia's servers, adopting their Business Continuity Management, IT Incident Risk Management, Crisis management and IT Service helpdesk. The transition is targeted for completion in 2025. The Company is exposed to cyber risk, although, the exposure had decreased as the Company invested in new server infrastructure ensuring the control environments is very robust.

In December 2023, the Company developed its first Operational Resilience Framework. In the latter half of 2024, the Company commenced work on enhancing its Risk Management system in line with the upcoming requirements of the new Digital Operational Resilience Act (DORA). This directive aims to establish uniform standards for the security of networks and information systems while enhancing oversight of critical ICT third-party providers. By adhering to DORA, CA Auto Re will strengthen its overall Operational Resilience Framework.

C.5.2. Concentration

The size of the Company and its reliance on third party service providers creates certain concentrations of operational risk. This also implies an exposure to the operational risk of staff turnover and "key man" dependencies, being considered a critical risk both from a strategic and operational perspective.

C.5.3. Mitigation

The reliance to external IT support and infrastructure would be key measure of mitigation in relation to information security risk; while risk related to data integrity is mitigated through the business controls and the launch of a new reinsurance system in 2024.

Other key tools for risk mitigation are represented by the Company's Business Continuity Plan and the recent established Operational Resilience Framework, which include, among others, the following measures of mitigations:

- **Unavailability of Data:** Being part of the CAAB group, CA Auto Re receives premiums data from the CAAB Group subsidiaries, hence the dependency on the insurers to send the policy level data is somewhat reduced. While these mitigations reduce the impact of the risk transpiring to some extent, prolonged periods of lack of policy can have serious impact on the company's ability in meeting its statutory and regulatory reporting obligations.
- **Unavailability of IT systems:** The Company uses a dedicated IT system which has built-in data quality checks and controls on the policy level data inputted into the system. As part of its internal control framework, the Company has put in number of checks and controls outside to verify the completeness, and the quality of the data received. In case of the unavailability of IT system, the Company uses manual excel model which replicates some of the data quality checks conducted by the system. The Company's new reinsurance software system is hosted in the Drivalia Lease Ireland's server and is backed up twice per week. The infrastructure has the ability to restore any data loss within a short period of time. The Company also employ the three lines defence model whereby the second- and third lines review and challenge the effectiveness of the controls carried out by the first line.
- **Unavailability of Staff and Key Personnel:** The Company conducts an annual succession plan exercise for key positions within the organisation. As discussed previously, the Company also avails of service provided by third party service providers, who have the expertise and personnel to support key business areas.
- **Unavailability of Third party:** The mitigation here is that the Company has service level agreements ("SLA") with the roles and responsibilities defined with each of the outsourced service providers. The Company assesses the performance of the third parties against the SLAs on an annual basis and brings it to the Board for review.

C.5.4. Risk Sensitivity

Operational risk makes up to 3% of the total SCR of the Company. The Company does not carry out quantitative risk sensitivities, however, assess operational risk through the Operational Resilience Framework, Business Continuity Plan and annual Operational Risk Mapping, ensuring plans and actions are in place in case of worst-case scenario of discontinuity of critical processes.

C.6 Other material risks

Environmental and Regulatory Risk

The evolving regulatory landscape presents a number of challenges to the Company which will have to be assessed and implemented, on a proportional basis, over the business plan horizon.

In 2023, the Company implemented its first Operational Resilience Framework to embed within its risk and governance systems. In 2024, the framework was further enhanced to incorporate the organization's commitment to meeting the requirements of the Digital Operational Resilience Act (DORA) and achieving compliance by January 2025.

On top of the traditional focus areas for (re)insurers, such as EIOPA thematic reviews, data security, climate risk and environmental impacts, remain significant concerns for the industry. In addition, the Company monitors emerging risks relating to the insurance sector within its existing footprint, and as well as the wider Group perimeter.

The Company is subject to the Individual Accountability Framework. Annual assessments are conducted on the Fitness and Probity of all PCFs and CFs which includes obtaining declarations from all key role holders, conducting background checks, ensure due diligence files are up to date and completing the annual certification process before submitting the annual PCF confirmation to the CBI.

ESG (Environmental, Social and Governance) investing is another key area of focus in the current regulatory landscape. As previously mentioned, Company's current investing activities are limited to investing surplus assets in immediately accessible current accounts and fixed term deposits with approved banks, including CA Auto Bank S.p.A., with minimum approved credit rating. The Company does not currently engage in any other investing activities outside its policy. If it were to expand this policy in the future, it would take account of ESG investing criteria. Another key risk, related to the economic landscape, is the impact that a recession or inflation could have on insurance and one of the main impacts is the increase in prices when determining insurance premiums. Specifically, the company has an additional risk in respect of residual values of the second-hand cars in several European markets, which could also impact the loss ratios of its GAP products. When pricing the GAP policies, certain car price deflation rates are assumed, which are likely to be based on the historic market data. There is therefore a risk that the deflation rates could be higher than originally expected increasing the gap between the original car price and the market value several years later, leading to higher GAP claims and deterioration to the loss ratios.

Additionally, geopolitical tensions across today the world represent a substantial risk to the global economy. Furthermore, it is notable that with the recent introduction of the Central Bank of Ireland's Regulatory and Supervisory Outlook Report, going forward, the Company aims to provide a 24-month outlook on the key trends and risks affecting financial industry operators. It serves as an additional resource for the Company in monitoring existing and emerging risks within the regulatory purview of the CBI.

C.7 Any other information

Climate Risk

The risks associated with Climate change have been the focus for most companies in recent times. In assessing climate change risk, it is noted that the business written by the company is short- term and time-bound, comprises of many small risks and is concentrated in certain developed European markets, providing the ability to adapt product and strategy at short notice.

Climate change risk indirectly influences the Company's premium volumes, as CA Auto Re depends on the sale of traditional car loans facilitated by the distributors, who are subsidiaries of CA Auto Bank S.p.A. To lead the transition toward sustainability, CA Auto Bank offers specialized financial solutions for green vehicles. The parent company is responding to these challenges and is focused on building sustainable and climate friendly mobility solutions, which might ultimately have a positive impact on the Company's business volumes in the future.

In 2024, CA Auto Bank furthered its commitment to addressing environmental, social, and governance (ESG) risks by developing its inaugural Sustainability Plan. This plan, set to be implemented over the 2024–2026 period, focuses on four key objectives: Sustainable Mobility, Innovation and Digitalization, Environment, and People.

As part of its efforts, CA Auto Bank actively contributes to mitigating environmental impacts and addressing climate challenges by investing in the transition to a sustainable mobility system. This includes supporting customers' adoption of Plug-in Hybrid Electric Vehicles (PHEVs) and Battery Electric Vehicles (BEVs) through its electrification strategy. Additionally, CA Auto Bank's mobility services subsidiary, aligns with these goals by targeting the integration of low-carbon vehicles (emitting less than 50g CO₂/km) into its fleet, reinforcing the commitment to sustainable mobility. Below are reported the KPI set by CAAB within its sustainability plan 2024-2026.

KPI	2026
 CO2 emissions reduction (SCOPE 1, 2, 3)	-16% vs 2022 (same perimeter)
 Company car fleet electrification	BEV > 50% PHEV&BEV > 90%
 ESG Risk Assessment methodology (Physical and Transition Risks)	4 SCENARIOS, European scope, Cost of Risk and Residual Value considered
 Operational risk alert linked to a climate risk (Risk Strategy)	0 alerts for loss > €300k (target set from 2024 onwards)

The Company has carried out an assessment of the potential impact climate change may have on its lines of business and included some additional considerations related to that risk. Also, the Company has introduced a climate change risk tracker within its Risk Dashboard report, presented quarterly to the Risk Committee.

- **Life risks:** Mortality (increased evidence of heat waves, floods and other natural disasters driven by climate change);

- **Health:** Temporary/total disability (increased interaction with pathogens from wild animals due to migration due to climate change; higher temperatures or longer frequent periods of heat may potentially lead to more cases of heat-related illnesses);
- **Non-Life GAP business:** car owners hit by natural catastrophic events (e.g. violent storms, hailstones and floods) resulting in an increased claims incidence and total destruction of cars.

However, the Company has the opportunity to explore some of the following risk mitigation activities in the future: engage with insurers to promote or restructure the existing products, specifically targeting climate risks and at the same time meeting customer needs, e.g. adapting exclusions, adding additional benefits for suitable risk triggers, etc.; new products to meet the growing needs/demands of customers in relation to energy efficient investments such as the increased focus on electric vehicles. The impact of investments is considered very low due to the simple, short-term investment strategy of the Company. The investment strategy is cautious and focused on cash and fixed terms deposits, with approved banks including CA Auto Bank S.p.A with a minimum approved credit rating. The Company does not currently engage in any other investing activities outside its policy. Considering the current investment strategy, the Company is not subject to changes in asset values, possibly due to downgrading or catastrophic climate events. If the Company was to expand this policy in the future, it would take account of climate risk and ESG investing criteria.

In addition, considering the Company's treaties are on a funds withheld basis, the Company shall explore and investigate the investment strategies of its current and potential future insurers, ensuring the Company's own funds are held within suitably green investments with low or minimal climate risk attached.

In conclusion, the short-term diversified insurance risks underwritten by the company provide good opportunities for climate risk mitigation and the company will monitor the situation closely.

D.Valuation for Solvency Purposes

D.1 Assets

The Company's assets at fair value as at YE 2024 are as set out in the following table:

Assets	2024 (€000's)	2023 (€000's)
Insurance and Intermediaries Receivables	10,366	3,885
Deposits to Cedants	27,859	26,111
Cash and Cash Equivalents	2,678	5,154
Deposits other than cash equivalents	23,049	17,046
Reinsurance Asset	2,200	3,755
Tangible Assets	4	48
Intangible Assets	-	0
Tax Prepayments & Other Receivables	160	272
Total	66,317	56,272

Insurance and Intermediaries Receivable: represent amounts earned by the company but not yet paid by the Cedant. These are essentially short-term debtors and are valued at their book value, which is considered to be equivalent to fair value. Additionally, reinsurance receivables are included for Solvency II purposes.

Deposits to Cedants: represent the unearned portion of the policies underlying the reinsurance treaties. This includes unearned premiums, less unearned claims, and unearned commission amounts. For Solvency II purposes, these assets are valued at their fair value, similar to the accounting treatment in the Financial Statements. The impact of discounting is reflected in the Reinsurance Asset.

Cash and cash equivalents: balances held on current accounts with credit institutions. For both Solvency II and Financial Statements carrying value of these assets approximates their fair value.

Deposits other than cash equivalents: represent the amount held in fixed term deposits with credit institutions with maturity over 3 months.

The Solvency II reinsurance asset represents the present value of claim recoveries and profit share payments due to the Company from the reinsurer. In the Financial Statements, the reinsurance assets represent the Retrocessionaire's share of the UPR, IBNR, and OSLR.

D.2 Technical Provisions

The technical provisions as at 31st December 2024 are summarised as follows:

Technical Provisions	2024 (€000's)	2023 (€000's)
Life	3,313	(154)
Health	(3,010)	(94)
Non-life	(4,557)	6,544
Total Life, Health, and Non-life	(4,254)	6,296
Risk Margin	2,779	2,787
Total Technical Provisions	(1,475)	9,083
Reinsurance Recoverables	2,200	3,755

The Company is a reinsurance undertaking authorised to carry on life and non-life assurance business. These covers are classified as:

- “Life - Other life insurance on accepted reinsurance” Line of Business under Solvency II;
- “Life - Health reinsurance” business under Solvency II; and
- “Non-Life – Miscellaneous Financial Loss” (includes Loss of employment and GAP covers).

The value of technical provisions equals the sum of the Best Estimate Liability (“BEL”) and the Risk Margin (“RM”).

Technical provisions are calculated gross of amounts recoverable from reinsurance contracts.

The movement in the Claim Provision is primarily due to the increase in the level of GAP premium earned in 2024 compared to 2023. This increase in Premium is leading to a higher level of claims and a corresponding increase in the Outstanding Loss Reserve (“OSLR”) and Incurred but not Reported (“IBNR”) reserve. A reduction in the premium provision, mainly for the GAP business, is observed as a result of the expected growth in regular premium business in France. Additionally due to a significant increase expected over 2025 in France GAP Gross Written Premium (“GWP”) which is regular premium the expected future premium cashflows are exceeding the expected claims and expenses cashflows creating a negative Premium Provision.

Under Solvency II, the technical provisions represent the present value of future claims, expenses, and profit share on a best estimate basis using the relevant risk-free interest rate term structure.

The projected future cashflows that are modelled include:

- any future regular premium receipts

- claims payments to the Cedant
- expenses
- commissions to the Cedant
- profit share payments
- retrocession premium payments
- retrocession commission
- retrocession claims recoveries

The risk margin is calculated using the cost of capital approach set out in the Directive:

- first, the Solvency II capital requirement ("SCR") representing non-hedgeable risks is projected for each future year (until the expiry of all contracts); Individual sub-risks are approximated to calculate the future SCRs (known as method 2);
- the SCR in each future year is then multiplied by the prescribed cost of capital rate (6% p.a.) to get the cost of holding the Solvency II capital requirement in each future year;
- these cost-of-capital figures are then discounted to a single present value using the risk-free yield curve specified by EIOPA to determine the overall risk margin.

The above approach gives rise to a Risk Margin of €2.8M. The risk margin is apportioned to each line of business (Non-life, Life, SLT Health) in proportion to that line of business's contribution to the Risk Margin.

The key assumptions in the technical provision calculation are the loss ratios, per policy expense assumptions, and lapse/cancellation rates. The key sources of uncertainty associated with the value of technical provisions relate to potential changes in claim frequencies, claim recovery rates, expenses, and cancellation/lapse rates.

Neither the matching adjustment, volatility adjustment, nor transitional measures apply to the Company.

Finally, it is important to mention the provision in the Company's account of the Italian Dormant Claims reserve which is reducing year on year accounting €1.2m at YE 2024.

D.3 Other Liabilities

The value of Other Liabilities as at 31st December 2024, including a comparison with the previous reporting year, is as follows:

Liabilities	2024 (€000's)	2023 (€000's)
Insurance and Intermediaries Receivables	56	0
Deposits from Reinsurers	6,808	5,539
Payables (Trade, not reinsurance)	566	0
Deferred Tax Liability	2,961	1,891
Reinsurance Payables	1,363	0
Any other Liabilities	6	0
Total	11,760	7,430

Insurance and Intermediaries Payables: represent the amounts recognised but not yet settled by the Company. They are essentially short-term creditors with a fair value equivalent to their book value.

Deposits from Reinsurer: represent the unearned portion of the policies underlying the retrocession treaties. This includes unearned premiums, less unearned claims, and unearned commission amounts. For Solvency II purposes, these liabilities are valued at their book value in the accounting records of the Company with the impact of discounting reflected in the Reinsurance Asset. The Solvency II valuation above is consistent with the Financial Statements valuation for the Company.

For Solvency II valuations, future profit margins on existing business are recognised on a best estimate basis, resulting in a higher value of Own Funds compared to the Financial Statements basis. Consequently, a deferred tax liability is recorded, which is not included in the Financial Statements balance sheet.

D.4 Alternative Methods for Valuation

The Company does not use any alternative methods for valuation.

E. Capital Management

E.1 Own Funds

E.1.1 Objectives, policies, and processes for managing Own Funds

The Board of Directors have the objective to maintain a sufficient level of Own Funds at all times to cover the Company's SCR and MCR requirements, along with an additional buffer.

The main objective of the Company with regards to Capital Management is to ensure that capital is always kept adequate, in order to:

- Maintain the financial stability of the Company through a sound and effective allocation of capital along the business;
- Sustain the execution of the Company's business plan;
- Comply at all times with the regulatory requirements, as set by the CBI and EIOPA respectively at local and European level.

The Company's requirements regarding the management of own funds are:

- Ensuring that own fund items, both at issue and subsequently, meet the requirements of Solvency II regime and are classified correctly;
- Ensuring that the terms and conditions of any own fund items are clear and unambiguous in relation to the criteria of the applicable capital regime.

This is achieved through a prudent management of the own funds on a continuous basis. Quality of own funds is continuously monitored to ensure that sufficient eligible own funds are maintained at all times to cover the SCR and MCR, while meeting the eligibility requirements under Solvency II. The Company reviews the level and eligibility of own funds at least on quarterly basis, as part of the Quantitative Reporting Templates production.

Own Funds are projected at least on an annual basis as part of the ORSA process, according to the Company business plan projections, with the aim to assess the capital requirements in the medium to long term and identify any capital management action, where required. The projections are updated quarterly as actual capital requirements are calculated every quarter. These projections provide a forward-looking perspective on the Company's risk profile, solvency needs, and level of own funds required over the business plan horizon. The results of projections made in the ORSA will be used by the Company to define an internal prudential margin in excess of the SCR, to ensure the capital requirements are met and are aligned to with the underlying risk of the Company.

In additional, as required by the Central Bank of Ireland, the Company's Recovery Plan details the steps to be taken in case the Company would be exposed to a near-default event.

E.1.2. Structure, amount and quality of Own Funds

The Company's Own Funds consists of paid in ordinary share capital, retained profits, and a reconciliation reserve. Own Funds at the beginning and the end of 2024 are as follows:

Own Funds	2024 (€000's)	2023 (€000's)
Paid in Share Capital	1,000	1,000
Capital Contribution	5,000	5,000
Retained Profits	29,305	20,428
Reconciliation Reserve	20,727	13,331
Total	56,032	39,759

All Own Funds are Tier 1. There is no use of Ancillary Own Funds. The Own Funds items are not dated and therefore are longer in duration than the Company's liabilities.

There have been no material movements in assets or liabilities other than those projected as the book of business continues to increase in size.

E.1.3. Eligible Own Funds to cover Solvency Capital Requirement

The Company's Own Funds are all tier 1 unrestricted and available to cover the SCR.

E.1.4. Eligible Own Funds to cover Minimum Capital Requirement

The Company's Own Funds are all tier 1 unrestricted and available to cover the MCR.

E.1.5. Difference between equity in the Financial Statements and Own Funds

The following table reconciles the equity shown in the Financial Statements of the Company to the Solvency II Own Funds both at YE 2024 and previous reporting period:

Equities	2024 (€000's)	2023 (€000's)
Equity per Financial Statements		
Ordinary share capital	1,000	1,000
Capital Contribution	5,000	5,000
Retained profits	29,305	20,428
Difference in the value of Reinsurance Asset	(6,640)	(4,845)
Difference in Technical Provisions	34,174	21,702
Exclusions of Deferred Acquisition Cost Asset	(3,375)	(1,441)
Inclusion of Deferred Tax Liability	(2,961)	(1,891)
Exclusion of Intangible Asset	(471)	(212)
Other	-	19
Own Funds based on Solvency II	56,032	39,759

E.2 Solvency Capital Requirement / Minimum Capital Requirement

E.2.1. Amount of SCR and MCR

At end 2024, the SCR and MCR for the Company were as follows:

Amount of SCR and MCR	2024 (€000's)	2023 (€000's)
Solvency Capital Requirement	15,448	16,867
Minimum Capital Requirement	3,900	4,254

At year end 2024, the Own Funds are €56M significantly above the SCR resulting in a SCR ratio of 363%.

E.2.2. SCR split by Risk Modules

The Company's SCR split by risk modules at end 2023 and end 2023 is as follows:

Standard Formula Risk Modules	31/12/2024 (€000's)	31/12/2023 (€000's)
Market Risk	3,994	2,781
Counterparty Default Risk	1,071	1,378
Life Underwriting Risk	2,173	1,304
Health Underwriting Risk	458	702
Non-life Underwriting Risk	14,751	16,440
Undiversified BSCR	22,447	22,605
Diversification Benefit	(5,296)	(4,325)
Basic SCR	17,151	18,280
Loss-absorbing Capacity Adjustments	(2,207)	(1,891)
Intangible Asset	-	-
Operational Risk	503	479
Solvency Capital Requirement	15,448	16,867
Minimum Capital Requirement	3,900	4,254

The most material changes in SCR modules over the period can be explained as follows:

- The decrease in Non-Life underwriting risk module, the highest component of the SCR, is mainly driven by the introduction of retrocession for Italy and France GAP business from 2025. The net premium volume is the key driver in the Non-Life Underwriting Risk SCR and adding quota share retrocession to this business significantly reduces the volume;
- The Company holds assets exposed to market risk other than reinsurance assets which are exposed to interest rate risk based on any mismatching with liabilities. The Market risk SCR increased in 2025 due to further intragroup transactions made over the period, which increased the Company's concentration risk.

E.2.3. Use of Simplified Calculations

The Company does not use any of the simplifications as defined under Solvency II as part of its SCR calculations.

E.2.4. Use of undertaking specific parameters

Undertaking specific parameters are not used in the calculation of SCR.

E.2.5. Inputs used to calculate the MCR

The table below summarises the inputs used by the Company to calculate the MCR at 31st December 2024. The MCR is calculated based on factors applied to sums assured, premiums, and technical provisions.

	MCR Input	Linear MCR Result
Miscellaneous Financial Loss		
- Net written premiums	8,796	1,073
- Net best estimate	0	0
Life/Health		
- Capital at Risk	1,870,720	1,310
- Net best estimate	0	-

It is then subject to an upper (45%) and lower (25%) band based on the SCR, with an absolute minimum floor of €3.9m.

MCR	2024 (€000's)	2023 (€000's)
Linear MCR	2,383	4,254
SCR	15,448	16,867
MCR cap (45% of SCR)	6,952	7,590
MCR floor (25% of SCR)	3,862	4,217
Combined MCR	3,862	4,254
Absolute floor on the MCR	3,900	3,900
Minimum Capital Requirement	3,900	4,254

E.3 Use of Derivative-Based Equity Sub-Module

The Company does not use the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement.

E.4 Differences between the Standard Formula and Internal Model Used

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

E.5 Non-Compliance with the MCR and SCR

The Company has been continuously compliant with both the MCR and the SCR throughout the reporting period.

Appendix – Public QRTs

Annex I
S.02.01.02
Balance sheet

	Solvency II value
	C0010
Assets	
Intangible assets	R0030
Deferred tax assets	R0040
Pension benefit surplus	R0050
Property, plant & equipment held for own use	R0060 4
Investments (other than assets held for index-linked and unit-linked contracts)	R0070 23,049
Property (other than for own use)	R0080
Holdings in related undertakings, including participations	R0090
Equities	R0100
Equities - listed	R0110
Equities - unlisted	R0120
Bonds	R0130
Government Bonds	R0140
Corporate Bonds	R0150
Structured notes	R0160
Collateralised securities	R0170
Collective Investments Undertakings	R0180
Derivatives	R0190
Deposits other than cash equivalents	R0200 23,049
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 2,200
Non-life and health similar to non-life	R0280 -3,209
Non-life excluding health	R0290 -3,209
Health similar to non-life	R0300
Life and health similar to life, excluding health and index-linked and unit-linked	R0310 5,410
Health similar to life	R0320 2,130
Life excluding health and index-linked and unit-linked	R0330 3,279
Life index-linked and unit-linked	R0340
Deposits to cedants	R0350 27,859
Insurance and intermediaries receivables	R0360 6,411
Reinsurance receivables	R0370 3,955
Receivables (trade, not insurance)	R0380 160
Own shares (held directly)	R0390
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400
Cash and cash equivalents	R0410 2,678
Any other assets, not elsewhere shown	R0420
Total assets	R0500 66,317
	Solvency II value
	C0010
Liabilities	
Technical provisions – non-life	R0510 -2,174
Technical provisions – non-life (excluding health)	R0520 -2,174
Technical provisions calculated as a whole	R0530
Best Estimate	R0540 -4,557
Risk margin	R0550 2,384
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 698
Technical provisions - health (similar to life)	R0610 -2,941
Technical provisions calculated as a whole	R0620
Best Estimate	R0630 -3,010
Risk margin	R0640 69
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650 3,640
Technical provisions calculated as a whole	R0660
Best Estimate	R0670 3,313
Risk margin	R0680 326
Technical provisions – index-linked and unit-linked	R0690
Technical provisions calculated as a whole	R0700
Best Estimate	R0710
Risk margin	R0720
Contingent liabilities	R0740
Provisions other than technical provisions	R0750
Pension benefit obligations	R0760
Deposits from reinsurers	R0770 6,808
Deferred tax liabilities	R0780 2,961
Derivatives	R0790
Debts owed to credit institutions	R0800
Financial liabilities other than debts owed to credit institutions	R0810
Insurance & intermediaries payables	R0820 56
Reinsurance payables	R0830 1,363
Payables (trade, not insurance)	R0840 566
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 6
Total liabilities	R0900 10,285
Excess of assets over liabilities	R1000 56,032

Annex I

S.04.05.21

Premiums, claims and expenses by country

Home country: Non-life insurance and reinsurance obligations

Premiums written (gross)

Gross Written Premium (direct)

Gross Written Premium (proportional reinsurance)

Gross Written Premium (non-proportional reinsurance)

Premiums earned (gross)

Gross Earned Premium (direct)

Gross Earned Premium (proportional reinsurance)

Gross Earned Premium (non-proportional reinsurance)

Claims incurred (gross)

Claims incurred (direct)

Claims incurred (proportional reinsurance)

Claims incurred (non-proportional reinsurance)

Expenses incurred (gross)

Gross Expenses Incurred (direct)

Gross Expenses Incurred (proportional reinsurance)

Gross Expenses Incurred (non-proportional reinsurance)

	Home Country	Top 5 countries: non-life				
		C0011	C0012	C0013	C0014	C0015
R0010	<del></del>	FR				
	C0010	C0020	C0021	C0022	C0023	C0024
	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>
R0020						
R0021	110	8,785				
R0022						
	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>
R0030						
R0031	45	10,369				
R0032						
	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>
R0040						
R0041	0	2,732				
R0042						
	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>
R0050						
R0051	266	2,279				
R0052						

Home country: Life insurance and reinsurance obligations

Gross Written Premium

Gross Earned Premium

Claims incurred

Gross Expenses Incurred

	Home Country	Top 5 countries: life				
		C0031	C0032	C0033	C0034	C0035
	<del></del>					
	C0030	C0040	C0041	C0042	C0043	C0044
R1020	4,702					
R1030	3,916					
R1040	-60					
R1050	665					

Premiums written

Gross - Direct Business
Gross - Proportional reinsurance accepted
Gross - Non-proportional reinsurance accepted
Reinsurers' share
Net

Premiums earned

Gross - Direct Business
Gross - Proportional reinsurance accepted
Gross - Non-proportional reinsurance accepted
Reinsurers' share
Net

Claims incurred

Gross - Direct Business
Gross - Proportional reinsurance accepted
Gross - Non-proportional reinsurance accepted
Reinsurers' share
Net

Expenses incurred

Balance - other technical expenses/income
Total expenses

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											Line of business for: accepted non-proportional reinsurance				Total	
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport		Property
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150		C0160
																	C0200
R0110																	
R0120												8,895					8,895
R0130																	
R0140												99					99
R0200												8,796					8,796
R0210																	
R0220												10,414					10,414
R0230																	
R0240												41					41
R0300												10,373					10,373
R0310																	
R0320												2,732					2,732
R0330																	
R0340												0					0
R0400												2,732					2,732
R0550												2,430					2,430
R1200																	
R1300																	2,430

Premiums written

Gross
Reinsurers' share
Net

Premiums earned

Gross
Reinsurers' share
Net

Claims incurred

Gross
Reinsurers' share
Net

Expenses incurred

Balance - other technical expenses/income
Total expenses
Total amount of surrenders

Line of Business for: life insurance obligations						Life reinsurance obligations		Total
Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
R1410						1,727	2,975	4,702
R1420						1,553	2,677	4,230
R1500						174	297	472
R1510						915	3,000	3,916
R1520						822	2,700	3,523
R1600						93	300	393
R1610						57	-117	-60
R1620						50	-91	-41
R1700						7	-26	-19
R1900						-3,525	714	-2,812
R2500								
R2600								-2,812
R2700								

Technical provisions calculated as a whole
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole
Technical provisions calculated as a sum of BE and RM
Best Estimate
Gross Best Estimate
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total
Risk Margin
Technical provisions - total

	Insurance with profit participation	Index-linked and unit-linked insurance		Other life insurance		Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)		
		Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees				Contracts without options and guarantees	Contracts with options or guarantees						
	C'0020	C'0030	C'0040	C'0050	C'0060	C'0070	C'0080	C'0090	C'0100	C'0150	C'0160	C'0170	C'0180	C'0190	C'0200	C'0210
R0010																
R0020																
R0030									3,313	3,313					-3,010	-3,010
R0080									3,279	3,279					2,130	2,130
R0090									34	34					-5,141	-5,141
R0100									326	326					69	69
R0200									3,640	3,640					-2,941	-2,941

Annex I
S.17.01.02
Non-life Technical Provisions

Technical provisions calculated as a whole

Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole

Technical provisions calculated as a sum of BE and RM

Best estimate

Premium provisions

Gross

Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default

Net Best Estimate of Premium Provisions

Claims provisions

Gross

Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default

Net Best Estimate of Claims Provisions

Total Best estimate - gross

Total Best estimate - net

Risk margin

Technical provisions - total

Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total

Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total

	Direct business and accepted proportional reinsurance					Accepted non-proportional reinsurance				Total Non-Life obligation
	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010										
R0050										
R0060					-6,887					-6,887
R0140					-3,210					-3,210
R0150					-3,677					-3,677
R0160					2,330					2,330
R0240					1					1
R0250					2,329					2,329
R0260					-4,557					-4,557
R0270					-1,348					-1,348
R0280					2,384					2,384
R0320					-2,174					-2,174
R0330					-3,209					-3,209
R0340					1,036					1,036

Accident year / Underwriting year	Z0020	Underwriting year [UWY]
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Total

(absolute amount)

Total

Annex I
S.23.01.01
Own funds

	Total	Tier 1 - unrestricted
	C0010	C0020
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 1,000	1,000
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 50,032	50,032
Subordinated liabilities	R0140	
An amount equal to the value of net deferred tax assets	R0160	
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180 5,000	5,000
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 56,032	56,032
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 56,032	56,032
Total available own funds to meet the MCR	R0510 56,032	56,032
Total eligible own funds to meet the SCR	R0540 56,032	56,032
Total eligible own funds to meet the MCR	R0550 56,032	56,032
SCR	R0580 15,448	
MCR	R0600 3,900	
Ratio of Eligible own funds to SCR	R0620 362.71%	
Ratio of Eligible own funds to MCR	R0640 1436.71%	
Reconciliation reserve	C0060	
Excess of assets over liabilities	R0700 56,032	
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730 6,000	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fence	R0740	
Reconciliation reserve	R0760 50,032	
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770 4,642	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780 14,655	
Total Expected profits included in future premiums (EPIFP)	R0790 19,297	

Annex I

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

Market risk
Counterparty default risk
Life underwriting risk
Health underwriting risk
Non-life underwriting risk
Diversification
Intangible asset risk

Basic Solvency Capital Requirement

Calculation of Solvency Capital Requirement

Operational risk
Loss-absorbing capacity of technical provisions
Loss-absorbing capacity of deferred taxes
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC
Solvency capital requirement excluding capital add-on
Capital add-on already set
of which, capital add-ons already set - Article 37 (1) Type a
of which, capital add-ons already set - Article 37 (1) Type b
of which, capital add-ons already set - Article 37 (1) Type c
of which, capital add-ons already set - Article 37 (1) Type d

Solvency capital requirement

Other information on SCR

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

Approach to tax rate

Approach based on average tax rate

Calculation of loss absorbing capacity of deferred taxes

LAC DT
LAC DT justified by reversion of deferred tax liabilities
LAC DT justified by reference to probable future taxable economic profit
LAC DT justified by carry back, current year
LAC DT justified by carry back, future years
Maximum LAC DT

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010	3,994		
R0020	1,071		
R0030	2,173		
R0040	458		
R0050	14,751		
R0060	-5,296		
R0070			
R0100	17,151		

	C0100
R0130	503
R0140	
R0150	-2,207
R0160	
R0200	15,448
R0210	
R0211	
R0212	
R0213	
R0214	
R0220	15,448
R0400	
R0410	
R0420	
R0430	
R0440	

	Yes/No
	C0109
R0590	

	LAC DT
	C0130
R0640	-2,207
R0650	-2,207
R0660	
R0670	
R0680	
R0690	2,207

Annex I

S.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

	MCR components	
	C0010	
MCR _{NL} Result	R0010	1,073
	Background information	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
	C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	
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	
General liability insurance and proportional reinsurance	R0090	
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	8,796
Non-proportional health reinsurance	R0140	
Non-proportional casualty reinsurance	R0150	
Non-proportional marine, aviation and transport reinsurance	R0160	
Non-proportional property reinsurance	R0170	

Linear formula component for life insurance and reinsurance obligations

	C0040
MCR _L Result	R0200 1,310

Total capital at risk for all life (re)insurance obligations

	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/S PV) total capital at risk
	C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	
Obligations with profit participation - future discretionary benefits	R0220	
Index-linked and unit-linked insurance obligations	R0230	
Other life (re)insurance and health (re)insurance obligations	R0240	
Total capital at risk for all life (re)insurance obligations	R0250	1,870,720

Overall MCR calculation

	C0070
Linear MCR	R0300 2,383
SCR	R0310 15,448
MCR cap	R0320 6,952
MCR floor	R0330 3,862
Combined MCR	R0340 3,862
Absolute floor of the MCR	R0350 3,900
Minimum Capital Requirement	R0400 3,900