

Securitas Group Reinsurance Designated Activity Company

Solvency and Financial Condition Report
Reporting period ended 31 December 2024

A.	BUSINESS & PERFORMANCE	4
A.1	Business.....	4
A.2	Underwriting Performance.....	5
A.3	Investment Performance.....	7
A.4	Performance of other activities.....	7
A.5	Other Information.....	7
B.	SYSTEM OF GOVERNANCE	8
B.1	General Information on the System of Governance.....	8
B.2	Fit and proper requirements	10
B.3	Risk Management System	10
B.4	Internal Control System	13
B.5	Internal Audit Function.....	14
B.6	Actuarial Function	15
B.7	Outsourcing	16
B.8	Any Other Material Information	17
C.	RISK PROFILE	18
C.1	Underwriting Risk.....	18
C.2	Market Risk.....	20
C.3	Credit Risk.....	21
C.4	Liquidity Risk	21
C.5	Operational Risk.....	21
C.6	Other Material Risk.....	22
C.7	Amount of expected profit included in future premiums as calculated in	22
	accordance with Article 260(2)	22
C.8	Any other information	23
D.	VALUATION FOR SOLVENCY PURPOSES.....	24
D.1	Assets	24
D.2	Technical Provisions.....	25
D.3	Other Liabilities.....	28
D.4	Alternative Methods of Valuation	28
D.5	Any Other Information	29
E.	CAPITAL MANAGEMENT	30
E.1	Own Funds	30
E.2	Solvency Capital Requirement & Minimum Capital Requirement	31
E.3	Use of Duration Based Equity Risk Sub Model in calculation of the SCR	32
E.4	Differences between the Standard Model & Any Internal Model	32
E.5	Non-Compliance with MCR and SCR.....	32
E.6	Any Other Material Information.....	32
	ANNEX I – QUANTITATIVE REPORTING TEMPLATES	33

EXECUTIVE SUMMARY

This Report refers to the business of Securitas Group Reinsurance Dac ('SGRD' or 'the Company'), a captive reinsurer, authorised and supervised by the Central Bank of Ireland. It provides the reader with information on the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management for the reporting period ended 31 December 2024.

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

The reporting currency is United States Dollars (USD).

The Company's business strategy is to provide insurance coverage to Securitas A.B. group entities. The impact of insurance risk volatility on the Company's capital base is mitigated through the purchase of retrocession from appropriate counterparties. The investment of Company funds is in line with the documented investment strategy, reflecting a 'prudent person' approach to the management of counterparty, concentration, interest rate and currency risk.

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

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

There were no material changes to SGRD's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

As of 31 December 2024, the Company had eligible own funds of US\$104.882m (2023: US\$111.001m) available to meet its Solvency Capital Requirement ('SCR') of US\$65.936m (2023: US\$67.219m); resulting in a Solvency Ratio of 159% (2023: 165%), which is in compliance with the regulatory solvency requirements per the Solvency II regulations. The Board of Directors is satisfied that the Company has adequate and appropriate capital to support its business plans. The Minimum Capital Requirement ('MCR') of US\$16.484m (2023: US\$16.805m) was also satisfactorily met at the period-end. There were no instances of non-compliance with the capital requirements during the period.

A. BUSINESS & PERFORMANCE

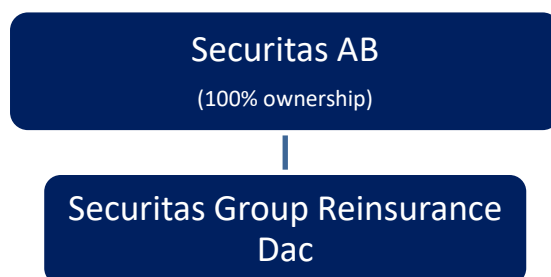
A.1 Business

SGRD is incorporated in Ireland and is licensed as a reinsurance undertaking, under the supervision of the Central Bank of Ireland ('CBI'). SGRD was incorporated in Ireland in 1999, and in line with the requirements of the Companies Act 2014 converted to a designated activity company (Dac), limited by shares, effective 22 August 2016.

The Company's business address and registered office is 15 George's Quay, Dublin 2, Ireland.

The Company is a wholly owned subsidiary of its parent company, Securitas AB a security services group headquartered in Stockholm, Sweden, (thereafter 'the Group') and provides reinsurance to primary International Insurance companies in respect of General Liability, Workers Compensation, Auto Liability and Employers Liability risks of the Securitas group.

The Group is a world-leading safety and security solutions partner that helps make your world a safer place. Nine decades of deep experience means they see what others miss. By leveraging technology in partnership with their clients, combined with an innovative, holistic approach, they are transforming the security industry. With approximately 336 000 employees in 44 markets, they see a different world and create sustainable value for our clients by protecting what matters most – their people and assets. The position of the Company within the Group is set out below:



Details on principal subsidiaries are published within the Securitas AB Annual Report, 2024, which is available to download from <https://www.securitas.com/en/investors/financial-reports-and-presentations>.

The operation of the Company is subject to the local regulatory requirements in Ireland, within which it operates. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions, for example capital adequacy to minimise the risk of default and insolvency on the part of the Company.

SGRD conducts all significant business activities, including underwriting, premium invoicing & collection, claims reserving & payments, and investing from its offices in Ireland.

The Company's independent auditor Ernst & Young is located at Harcourt Centre, Harcourt Street, Dublin 2.

The insurance supervision division at the CBI may be contacted at their offices in New Wapping Street, North Wall Quay, Dublin 1, Ireland.

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

A.2 Underwriting Performance

The principal risks and uncertainties that the Company faces are, by the very nature of the business, those for which it provides or has provided reinsurance cover. The Company seeks to ensure that it collects sufficient premium income to meet the cost of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to significant variation in the Company's performance in the short term. Whilst considerable judgment is involved, the Directors adopt an appropriately prudent approach to the provision and valuation of adequate reinsurance reserves, with annual support and certification being provided by an external actuary.

The Group strategy is to maintain a level of risk within the Company that provides the Group with the optimal reinsurance structure. It is therefore accepted that, in accordance with its business plan, the best strategic option available is for the Company to underwrite certain worldwide risks on a proportional reinsurance basis. SGRD is currently reinsuring risks of the Securitas Group under the following Solvency II regulatory lines of business:

- Motor Vehicle Liability
- Workers' Compensation
- General Liability

All policies are subject to original policy deductibles, sub-limits and individual aggregates. The current reinsurance agreement is placed with a panel of reinsurers, subject to minimum rating requirements.

Premiums written relate to business incepted during the financial year. Provision is made for notified losses on all underwriting years. Provisions are calculated gross of any reinsurance recoveries with a separate estimate being made of amounts recoverable from reinsurers.

The profit for the financial year before the distribution of a dividend payment was USD 12,369m (2023: USD 14,518m). There was a dividend of USD 15,000m declared and paid during the year (2023: USD 6,000m).

The underwriting performance for the period is outlined in the table on the next page in accordance with the Irish GAAP financial reporting framework.

Financial Statements	2024 USD'000	2023 USD'000
Gross premium written	37,731	38,592
Retrocessionaire's share	(2,630)	(585)
Earned premium, net of reinsurance	35,101	38,007
Gross claims paid	31,522	34,146
Retrocessionaire's share	-	-
Net claims paid	(31,522)	(34,146)
Gross change in provision for claims	(2,183)	2,308
Retrocessionaire's share	2,630	585
Change in the net provision for claims	447	2893
Claims incurred, net of reinsurance	(31,075)	(31,253)
Net operating expenses	(714)	(1,255)
Allocated Investment Return	5,679	5,666
Net Technical Result	8,991	11,165

The premium income written by the Company was derived from the coverage of the non-life reinsurance risks of the Securitas group. The gross and net premium earned are split by line of business below:

Net premium earned by line of business	2024 USD'000	2023 USD'000
Workers' compensation	21,715	21,716
General liability	12,158	13,016
Motor vehicle liability	3,858	3,860
Gross premium earned	37,731	38,592
Retrocessionaire's share		
General liability	(2,630)	(585)
Total Earned Premium, net of reinsurance	35,101	38,007

The gross premium earned during the period relating to the US represented 91% of the gross premium (2023: 84%) and premium written in non-US territories represented 9% (2023: 16%).

The net claims paid and incurred by line of business is set out below:

Line of Business	Claims Paid, Net of Reinsurance			Movement in net Claims Provisions		
USD'000	2024	2023	Variance	2024	2023	Variance
Workers' Compensation	17,989	18,833	(844)	894	52	842
General Liability	10,532	12,128	(1,596)	(1,696)	(3,115)	1,419
Motor Vehicle Liability	3,001	3,185	(184)	355	170	185
Total	31,522	34,146	(2,624)	(447)	(2,893)	2,446

Total net operating expenses, acquisition costs and reinsurance commissions amounted to USD 0.714m (2023: USD 1.255m).

In line with the Global Minimum Tax Pillar Two Rules, the Company applied a 15% tax rate on the profits of the Company for the year ending 31 December 2024 (2023: 12.5%).

A.3 Investment Performance

The investment position of the Company is monitored by the Board and Securitas Group Treasury on a regular basis, to ensure the investment guidelines of the Company are adhered to.

The Company allocates its investment portfolio between cash and an intercompany deposit, as described below.

Cash: The Company maintains funds with one preapproved financial institution and Group relationship bank, being Skandinaviska Enskilda Banken AB ('SEB'). The investment income earned for the reporting period is USD 0.007m (2023: USD 0.009m).

Intercompany Deposit: Available funds are invested, as deemed prudent by the Board, in one intercompany deposit with the parent company, Securitas AB. The interest income earned on the Intercompany deposit for the 12-month period ending 31 December 2024 amounted to USD 11.240m (2023: USD 11.084m). Interest rates are floating with the interest rate as of 31 December 2024 was 5.03500% (2023: 5.9698%).

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

A.4 Performance of other activities

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

A.5 Other Information

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

B. SYSTEM OF GOVERNANCE

B.1 General Information on the System of Governance

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

The Board acknowledges its responsibility to ensure that risks are fully understood and appropriately managed and has taken appropriate steps to ensure that risk management, reporting and control processes have been put in place in a manner which reflects the nature and scale of the Company's activities. The Board is the focal point of the governance system and is ultimately accountable and responsible for the performance and conduct of the Company.

All authority comes from the Board and responsibilities are delegated in such a manner so as to ensure that no one individual has unfettered powers of decision and that business is undertaken in a controlled and responsible manner.

The overriding goal of the Company's risk management strategy is to control and to achieve, as much as possible, a reduction in the Company's risk exposure as a means of minimising the impact of undesired and/or unexpected events.

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

1. Governance Framework which is aligned with the Company's strategic objectives, providing top level oversight by the Board, clear ownership and accountability for risks, as well as clear escalating and reporting channels.
2. Risk Management System which details the Company's strategic objectives in documented Risk Policies. For each risk, limits and operational checkpoints as well as functional identification mitigation and monitoring processes are documented.
3. A series of Internal Controls, defining the architecture of processes required to manage the Company in accordance with its Governance and risk management framework.
4. A Risk Register combining operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's global strategy objectives.

The Board annually reviews the governance framework, the risk appetite framework setting out tolerance limits and operational limits for all risk categories, the risk management policies for all risk categories and the risk register for the Company.

The Board members have:

- The necessary knowledge, skills, experience, expertise, competencies, professionalism, fitness, probity and integrity to carry out their duties;
- A full understanding of the nature of the Company's business, material activities and related risks;
- A full understanding of their individual direct and indirect responsibilities and collective responsibilities; and
- An understanding of the Company's financial statements and key performance drivers.

The Company comprises the following senior personnel who have been selected to ensure that the Company is being run by individuals of appropriate expertise and integrity and who meet the criteria set out above:

Audrey Deng (Chair)
Marie-Louise Björk
Mathias Östman
Andreas Lindback

There have been no material changes in the system of governance since the prior reporting period. Given the limited scale and complexity of the Company, and having reviewed the risks facing the Company thoroughly, the Board is satisfied that the system of governance in place is adequate.

Key Functions

The key functions of Risk Management, Internal Audit, Actuarial, Compliance and Operations have clear and defined lines of reporting directly to the Board. This is facilitated by the straightforward nature of the Company's structure and fit-for-purpose documented policies and procedures which are clearly communicated and well understood by all relevant parties. The Board has ensured that the key functions are appropriately resourced and have the necessary authority and operational independence to perform their roles. The Company has engaged Aon Insurance Managers (Dublin) Limited ('AIMD') for the provision of management services, under the terms of an outsourced service and management agreement which is overseen by the Board. The Management agreement from 1 January 2024 to 3 December 2024 was with Marsh Management Services (Dublin) Limited).

Remuneration and material transactions

The members of the Board are employees of Securitas AB and receive no remuneration for their services as directors to the Company. As the activities of the Company are predominately outsourced, SGRD has no employees and consequently no remuneration is paid.

As a captive reinsurer, all SGRD inward premium flows and outward claims payments relate to insured risks of the shareholder Group. In addition, there is an intragroup credit agreement in place with the parent Securitas AB and the deposit balance to the Company as at 31 December 2024 was USD 191.7m (2023: USD 196.2m). A dividend payment of USD 15.000m were declared and paid during the period (2023: 6.000m). Other than these transactions which arise in the normal course of business, the

Company had no material transactions during the reporting period with members of the shareholder Group and none with members of the Board.

B.2 Fit and proper requirements

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

The Company's Fitness & Probity policy takes full account of the Central Bank's Fitness and Probity Regime, including the requirements from the Individual Accountability Framework.

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

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

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

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

SGRD is satisfied that appointed individuals performing controlled functions meet all relevant regulatory requirements and have a suitable level of training and qualification in order to enable them to carry out their respective duties.

B.3 Risk Management System

The Company has taken appropriate actions in order to:

- embed risk management as a key function within its governance structure; and
- develop and maintain effective processes and reporting procedures to identify, measure, monitor, manage and report, on a continuous basis, the risks to which the Company is exposed.

Risk refers to the effect of uncertainty on the Company's ability to meet its objectives. Risk management is a systematic approach to protect the business resources and income against losses and unexpected events so that objectives of the Company can be achieved without unnecessary disruption.

The Company's Risk Management System:

- sets out the level of risk acceptable by the Company (risk appetite and risk tolerance);
- identifies the risks which represent a threat to the achievement of its strategic objectives;
- identifies, defines and regularly measures key risk indicators enabling an efficient monitoring of risks;
- defines the appropriate actions to reduce the Company's risk exposure;
- ensures the risk management framework is adopted in day-to-day business processes; and
- regularly reviews controls and mitigation actions to ensure that they remain relevant and effective.

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

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

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

Own Risk and Solvency Assessment

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

Define the Stress Scenarios

Stress testing and scenario analysis are used to assess whether the available and future capital are sufficient in expected and stressed situations.

Business projections, stresses and scenarios are compiled by the Operations Function with input and agreement from the Board to ensure that these are appropriate for the Company.

Stress the Financial Plan

Stress test scenarios are embedded into the projected financial plan. Related solvency capital requirements and solvency ratios are then calculated for each year, resulting in a stressed financial plan and the solvency impact of adverse scenarios. This exercise is conducted by the Actuarial Function and validated by the Risk Management Function.

Assess prospective solvency needs on the basis of the Stressed Financial Plan

The Risk Management Function identifies potential additional mitigation actions to reduce the potential impact of the stress scenarios. Any remaining solvency gap will be covered through a relevant capital plan, i.e. defining the measures to restore the Company's solvency margin should the assumed scenarios occur.

Produce the ORSA Report

The ORSA report brings clarity over projected risk assessments and solvency needs to 3 different stakeholders:

Stakeholder	Expectation	ORSA Report
Board of Directors	Matching between risks to which the Company is or can be exposed and the Risk Appetite framework.	Provides a clear and prospective understanding of critical risk exposures and their relationship with Risk Appetite boundaries.
Shareholders	Detailed and prospective understanding about the risk of bankruptcy and potential need for future additional capital.	Provides a plan for capital needs on the time horizon of the financial planning.
Supervisory Authority	Detailed and prospective understanding of potential ORSA deviations compared to the Solvency Capital Requirements under Pillar I.	Gather information about: projected Solvency ratios; - explanations about deviations due to specific critical risks exposures.

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

In line with CBI requirements, the Head of Actuarial Function which is performed by Oliver Wyman provides an Actuarial Opinion to the Board of Directors in respect of the ORSA at the same time that the results of the ORSA process are presented to the Board for review and challenge.

The capital risk appetite for SGRD is to sustain its capital at a level sufficient to always meet the Regulatory Solvency Capital Requirement. It is not the intention to maintain a significant capital buffer in SGRD's balance sheet.

Securitas AB would always seek to be able to take prompt corrective action to replenish capital to an appropriate level in SGRD so that solvency capital compliance can be demonstrated. Securitas AB is expected to continue to have ample capacity to provide this support to SGRD.

B.4 Internal Control System

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

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

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

Detailed Processes and Embedded Control Activities

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

These items are approved by the Board of Directors and evaluated by the Internal Audit Function. They are reviewed as often as necessary but at least once a year.

Tasks and actions are shared between the key functions of the Company and clarify related roles, responsibilities and embedded control activities.

Compliance Function

The Company's Compliance Function reports directly into the Board.

The responsibilities of the Compliance Function include:

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

B.5 Internal Audit Function

Purpose & Objectives

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

The Internal Audit Function assists the Company to achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and

governance processes of the Company. The audit approach is risk based and in line with an annual audit plan which is provided by the Head of Internal Audit to the Board.

The Board is keen to develop effective policies and practices and take appropriate corrective action in response to weaknesses identified by internal and external auditors.

Independence and Impartiality

The Company's Internal Audit Function is independent of the operational activities audited and the Board.

The Internal Audit Function is free to report its findings and appraisals and to disclose them to the Board as required. This principle of independence of the Internal Audit Function entails that the Internal Audit Function operates under the direct control of the Board of the Company.

B.6 Actuarial Function

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

- coordinate the calculation and provide an opinion of the technical provisions;
- identify any inconsistency with the requirements set out in Articles 76 to 85 of the Solvency II Directive for the calculation of technical provisions and propose corrections as appropriate;
- explain any material effects of changes of data, methodologies or assumptions between valuation dates on the amount of technical provisions;
- assess the consistency of the internal and external data used in the calculation of technical provisions against the data quality standards as set out in Article 82 of the Solvency II Directive. Where relevant, the Actuarial Function will provide recommendations on internal procedures to improve data quality;
- take into consideration the interrelations between the Underwriting Policy, reinsurance arrangements and technical provisions, when providing its opinion;
- report in writing at least annually to the Board. The reporting should document all material tasks that have been undertaken by the Actuarial Function, and include:
 - i. details of the technical provisions
 - ii. methodologies & assumptions
 - iii. data sufficiency & quality
 - iv. experience analysis
 - v. report to the Board on reliability & adequacy
 - vi. opinion on Underwriting Policy
 - vii. opinion on reinsurance arrangements.

Their report should include any deficiencies identified and give recommendations as to how such deficiencies could be remedied

- contribute to the effective implementation of the risk management system in particular:

- i. Review and support the calculation of the Solvency and Minimum Capital Requirement; and
 - ii. Review the ORSA reporting.
- think critically and organise the execution of actuarial approaches
- provide an Actuarial Opinion to the Board of Directors in respect of the ORSA, Underwriting policy and Reinsurance arrangements.

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

B.7 Outsourcing

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

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

All Functions and activities of the Company are eligible to be outsourced provided that each of the criteria detailed above are satisfied in each instance. Sub-outsourcing is also allowable only in exceptional circumstances, on the condition that the sub-outsourced service provider satisfies the above criteria and subject to approval from the Board of Directors.

The Board is responsible for the approval and termination of all outsourcing arrangements of critical or important Functions or activities. Critical or important Functions or activities include key Functions of the Company's System of Governance and all Functions within the Company that are fundamental to carry out its core business.

The Board is responsible for ensuring notification to the supervisory authorities is made in a timely manner prior to the outsourcing of critical or important Functions or activities, and thereafter where there have been material developments in relation to the service providers.

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

The management of the Company is coordinated and carried out at its place of business in Ireland. SGRD engages third-party outsourced service providers in order to access the expertise and strength and depth of resources necessary to manage the specific requirements of a regulated captive reinsurance company.

The following critical or important Functions / activities are outsourced:

Critical or important Function	Outsourced Service Provider
Operations - Finance and Accounting	Aon Insurance Managers – Ireland
Operations - Underwriting and Claims Administration	Aon Insurance Managers – Ireland
Operations - Investment	Securitas Treasury – Sweden; Aon Insurance Managers – Ireland
Compliance Function including Head of Function	Aon Insurance Managers – Ireland
Risk Management	Aon Insurance Managers – Ireland
Actuarial Function including Head of Function	Oliver Wyman – United States
Internal Audit	Forvis Mazars - Ireland

B.8 Any Other Material Information

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

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

C. RISK PROFILE

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

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

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

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

C.1 Underwriting Risk

The Company underwrites contracts that transfer insurance risk to the Company on a proportional reinsurance basis. The risk under any reinsurance contract is the possibility that the insured event occurs and the uncertainty that the Company will have sufficient available assets to satisfy the amounts payable under the contract. The Company seeks to ensure that it collects sufficient premium income to meet the cost of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to significant variation in the Company's performance in the short term.

As the Company is a captive reinsurer, it is effectively insuring the risks of one customer, its parent Group, and thus is exposed to risk concentration. However, diversification is achieved through the reinsurance of different lines of business and the varying geographical locations of the underlying risks.

The Key underwriting risks of SGRD are:

Health (similar to Non-life) underwriting risk at 31 December 2024 comprises 20% of the undiversified basic SCR (2023: 19%).

Non-Life (excluding Health) underwriting risk at 31 December 2024 comprises 19% of the undiversified basic SCR (2023: 20%).

Non-life premium and reserve risk

Underwriting risk is managed through:

the adoption of documented controls and policies in relation to the underwriting and reserving processes;

the setting of a risk appetite by the Board with reporting triggers and limits which are monitored and escalated in accordance with the Company's documented policies;

the deployment of event and annual aggregate limits for the risks it reinsures; and

the calculation of technical provisions in a prudent, reliable and objective manner using appropriate and consistent data.

There have been no changes to the Company's underwriting risk exposures or the basis by which they are assessed in the reporting period.

For premium risk, the Company has considered the risk of under-pricing of premiums resulting in higher loss ratios than expected. The Board of Directors has approved an underwriting policy that established the standards and limitations' regarding the Company's underwriting activities. The Company has no appetite for the underwriting of risks outside of its approved underwriting policy.

When calculating the technical provisions, appropriate statistical and accounting data is considered in the loss reserve estimation and recording process. Whilst considerable judgment is involved, the directors have put in place suitable processes to ensure that reserves established are appropriate. The Company takes all reasonable steps to ensure that it has appropriate information regarding its underwriting exposures.

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

As part of the Company's ORSA process, stress and scenario tests incorporating Catastrophic US general liability loss/losses in 2025; USD15.000m incurred on primary USD5.000m layer (multiple losses), USD25.000m and USD12.500m incurred on two excess layers; total USD52.500m and adverse reserve development of 30% during 2025-26 were considered as stress scenario's 2 & 3. In the event of a material impact on the Company's solvency position following the occurrence of a stress scenario, a redistribution of the Company's current asset allocation would be deployed, and an additional capital injection would be requested from the shareholder as required.

Sensitivity analysis is also performed for underwriting risks by selecting conservative movements in future claims development for financial statements purposes and holding all other assumptions constant. The resultant impact on Gross and Net claims reserves, Profit before Tax (PBT) and equity is shown below:

	Claims Reserve	Claims Reserve	Impact on Equity	Impact on Equity
SENSITIVITY ANALYSIS	Gross	Net	Gross	Net
2024	USD'000	USD'000	USD'000	USD'000
Increase in loss ratio by 5%	(1,887)	(1,755)	(1,651)	(1,536)
Decrease in loss ratio by 5%	1,887	1,755	1,651	1,536
2023	USD'000	USD'000	USD'000	USD'000
Increase in loss ratio by 5%	(1,930)	(1,900)	(1,688)	(1,663)
Decrease in loss ratio by 5%	1,930	1,900	1,688	1,663

C.2 Market Risk

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

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

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

There were no material changes to the measures used to assess the market risk exposure or the material risks over the reporting period.

Given the short-term cash nature of the assets and the Intercompany deposit, the impact of interest rate risk is limited. The exposure is kept under review. The table over sets out the impact on profit before tax and shareholders' equity of a 0.5% increase and decrease in interest rates, based on the exposure to interest rates throughout the financial year.

	2024 USD '000	2023 USD '000
0.5% increase in market interest rates		
- Pre-tax profit	970	958
- Shareholders' equity	848	839
0.5% decrease in market interest rates		
- Pre-tax profit	(970)	(958)
- Shareholders' equity	(848)	(839)

The Company is exposed to currency risk to the extent its assets and liabilities are denominated in a currency different from its functional currency. The Company's principal transactions are carried out in USD and its exposure to foreign exchange risk arises primarily with respect to euro. The business financial assets are primarily denominated in the same currencies as its insurance liabilities, which mitigate the foreign currency exchange rate risk. Thus, the main foreign exchange risk arises from

receipt of premium in other currencies. Due to the limited exposure to currency risk, the Company considers that it is unnecessary to attempt to mitigate foreign exchange rate fluctuations.

C.3 Credit Risk

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

- Cash and cash equivalents
- Intercompany deposit with Securitas AB
- Amounts due from fronting insurers

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

There were no material changes to the measures used to assess the credit risk exposure or the material risks over the reporting period.

C.4 Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when they are due without incurring material costs or penalties. The Company is exposed to liquidity risk if proceeds from financial assets are not sufficient to fund obligations arising from its insurance contracts. The Company has the potential to be exposed to calls on its available investment assets, principally from reinsurance claims.

The Company has determined that liquidity risk does not represent a significant exposure to its business. This assessment is based on the fact that the Company has its investments held in highly liquid assets which it can access immediately or within a very short time frame without incurring material costs or penalties.

There were no material changes to the measures used to assess the liquidity risk exposure or the material risks over the reporting period.

C.5 Operational Risk

Operational risk is the risk of loss arising from system failure, human error, fraud, or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications, or can lead to financial loss.

Operational risk is managed by a strong governance structure being put in place, which includes the extensive oversight by the shareholder, the Board of Directors and the Heads of Functions.

The Company has a rigorous control framework and monitoring process in place to manage operational risk. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures. Outsourced activities are monitored and managed in the same manner in line with the

Outsourcing policy.

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

SGRD maintains a regulatory dialogue with the CBI to mitigate the risk of any potential sanction or compliance breach as well as using expert, industry leading, service providers to provide its outsourced functions which helps avoid any material error or delay. In order to ensure the quality of the outsourced functions is as high as possible, SGRD has put in place service level agreements and regularly reviews the outsourced service providers.

The Company does not consider that it is exposed to material residual risk in this area due to the formality that has been created around the Company's processes and procedures including those for financial and regulatory reporting. There is no specific risk concentration associated with this category as internal controls include appropriate segregation of duties.

There were no material changes to the measures used to assess the operational risk exposure or the material risks over the reporting period.

C.6 Other Material Risk

Strategic Risk

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

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

- Review at least annually the appropriateness of the high-level overall objectives for the Company, the major risks facing the Company and the Risk Appetite for each of these major risks identified. The Board will ensure continuing appropriateness, at least annually and revisions shall be affected where necessary
- Ensure all plans are regularly reviewed to ensure that Risk Tolerances are not exceeded individually or in total.

Sensitivity Risk

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

No other material risks have been identified.

C.7 Amount of expected profit included in future premiums as calculated in accordance with Article 260(2)

An amount of USD 10.572m is included in technical provisions in relation to expected profit included in future premiums.

C.8 Any other information

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

Sample risks include:

- Loss of key personnel/director's resignation;
- Outsourcing.

The Board is satisfied that the Company has a succession plan in place and in the event that a director resigns or intends to resign the parent Company will provide a replacement nominee for that position as soon as possible.

The Board recognises that the Company operates on a basis of an outsourced model, whereby the day-to-day operations and number of key functions are outsourced, the Board is satisfied that all outsourcing agreements include an appropriate period notice.

This would provide the Company with sufficient time to find an alternative professional services provider. Additionally, performance of outsourced providers is reviewed on an annual basis and such review would flag any potential deficiencies of the individual service provider.

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

There is no other information to report.

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

SGRD prepares its financial statements on a going concern basis in compliance with FRS 102 and FRS 103 as issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants Ireland, being applicable UK and Irish GAAP accounting standards, and in accordance with the provisions of the Companies Act, 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations, 2015.

SGRD uses the historical cost convention.

SGRD has 5 classes of assets:

- Cash and cash equivalents
- Loans to Group undertakings
- Retrocessionaire's share of claims outstanding
- Receivables (trade, not Insurance)
- Other assets

Cash at bank and in hand are current accounts with daily liquidity. The Company utilises custodians deemed to be of high credit quality to hold its cash. Carrying amounts approximate fair value due to the high liquidity of the instruments. There are no valuation adjustments for solvency purposes.

The Intercompany deposit is reported at market value for both solvency and financial statement purposes. There are no valuation adjustments for solvency purposes.

The treatment of future cash flows relating to the reinsurance technical provisions as part of the calculation of technical provisions (Section D2 below).

Receivables (trade, not Insurance) and other assets relates to prepayment amount of interest on the standby letters of credit and a VAT recoverable amount.

The table below sets out the value of the Company's material assets as of 31 December 2024:

	Solvency II	Financial Statements	Reclass	Fair Value Adj.
ASSETS	USD'000	USD'000	USD'000	USD'000
Cash and cash equivalents	39	39	-	-
Loans to Group undertakings	191,682	191,682	-	-
Retrocessionaire's share of claims o/s	2,447	3,215	(768)	-
Receivables (trade, not Insurance)	39	39	-	-
Other assets	48	48	-	-
Total Assets	194,255	195,023	(768)	-

D.2 Technical Provisions

Provision is made for notified losses on all underwriting years. The Company has regard to the gross and net loss positions as indicated by the claim circumstances reported to date and loss projections carried out under the direction of the Head of Actuarial Function using actuarial techniques.

Reserves for reinsurance contract liabilities are based upon management's best estimate of the ultimate liabilities and are determined with the assistance of, and based on, the results of the analysis performed by the Actuarial Function. The reserves include estimates for both case reserves and losses incurred but not reported ('IBNR').

Solvency II Technical Provisions

The Solvency II Technical Provision is comprised of a Best Estimate of Liabilities ("BEL") and a Risk Margin ("RM").

The Solvency II BEL is comprised of a provision for claims outstanding ("PCO") and a premium provision ("PP"). The PCO represents the provision for the unpaid liabilities on claims that have been incurred as of the valuation date. The PP represents the expected profit underlying the unearned portion of policies that have already incepted and any policies that have been bound but not incepted ("BBNI"). The PCO is derived from the Actuarial Function estimate of SGRD's Irish GAAP reserves. The actuarial methods produce an estimate of ultimate losses and unpaid reserves that can be viewed as an actuarial central estimate. To meet the solvency II requirements that the best estimate reflect a probability weighted average across all possible outcomes, an adjustment of the actuarial estimate of ultimate losses for events not represented in the data ("ENID") using a selected ENID load of 2.5%. The Actuarial Function considered the potential understatement of the true mean using the two Lloyd's approximations as described in Binary Events Loading for Solvency II Technical Provisions: A Practical Approach by Yuriy Kravych. As Lloyd's Approximation 1 can understate the ENID load, and Lloyd's Approximation 2 can overstate the ENID load, the Actuarial Function considered both results and selected a provision within the range of the two.

As all policies issued by SGRD incept on 1 January there is zero unearned premium on SGRD's 31 December Irish GAAP balance sheet. As a result, the PP portion of the TP is comprised solely of BBNI exposures, which are SGRD's PY25 risks, as all policies are assumed to be contractually bound as of the 31 December evaluation date. The expected future cash flows underlying the PY 25 exposures are calculated based on the discounted value of expected losses and expenses less PY25 premiums which has not yet been received as of 31 December 2024.

Solvency II requires that the BEL include a provision for expenses necessary to service existing insurance obligations over their lifetime. The Actuarial Function derive the expected expenses in each future fiscal year based on the ratio of expected FY25 expenses to the undiscounted reserves as of 31 December 2024. The ratio is applied to the undiscounted expected reserves as of the beginning of each fiscal year to determine the expenses that will be incurred in each future fiscal year. The calculation is performed separately for the unpaid reserves underlying the PCO and PP. Expected FY25 expenses are based on an average of the sum of general and administrative ("G&A") expenses and investment management fees

across the last four fiscal years. The Actuarial Function utilize all G&A costs as management indicated that there would be no material change to SGRD's current expenses if it were to cease underwriting new risks. It was therefore considered all expenses applicable to the claims function. The amounts are then discounted back to a present value basis and included in the derivation of the PCO and PP.

The expected payout of the PCO as well as the expected future cash flows underlying the PP, including the claims runoff expense, are discounted to a present value basis using the basic risk-free rate ("RFR") curves with no volatility adjustment as of 31 December 2024, as published by EIOPA. The Interest rates are utilized to discount all cash flows underlying the calculation of the Solvency II TPs. Reserves are discounted using the yield curve underlying the USD, based on the currency in which the amounts are reserved. The expense reserve and risk margin are also discounted using the USD yield curve.

The expected payout of the reserves in each policy year is derived from the expected payout pattern underlying the analysis of SGRD's Irish GAAP reserves.

Solvency II also requires that the expected value of reinsurance recoverables included in the net technical provision reflect an allowance for expected reinsurer default. Per the Solvency II guidance, the expected reinsurer default is calculated using an annual probability of default of X% where X is determined based on the S&P and AM Best ratings of the reinsurance companies, such that the probability of a default in the future year t is equal to $1 - (1-X/100)^t$, and it is assumed that in the event of a default the reinsurer would only pay 50% of the obligation. For credit quality steps 1 and 2, the probabilities of default of 0.01% and 0.05%, is used respectively.

To develop the estimates of ultimate losses for the US insurance coverages, the Actuarial Function applied the generally accepted actuarial techniques at the USD 100,000 per occurrence limit; Paid and incurred loss ratio methods, paid and incurred Bornhuetter-Ferguson methods, frequency / severity method and loss cost method. For the rest of the worldwide general liability coverage, the Actuarial Function applied the paid and incurred loss developments methods and the paid and incurred Bornhuetter-Ferguson methods directly at the retained limit. For the excess General Liability coverage, the Bornhuetter-Ferguson method in conjunction with a preliminary estimate of ultimate loss.

Risk Margin

The Solvency II risk margin is intended to represent an amount that SGRD would be required to pay, in excess of the best estimate of the liabilities, for a third party to assume the risk of running off the existing liabilities. The actuarial calculation of the risk margin is consistent with the Solvency II regulations, applying a 6% cost of capital to the amount of capital required at the beginning of each year to support the run-off of the insurance obligations. These future costs of capital are then discounted to the valuation date and summed to calculate the amount of risk margin required.

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

The Gross and Net technical provisions on 31 December 2024 by line of business are as follows:

Insurance Class	31/12/2024		31/12/2023	
	TPs per GAAP	TPs per Solvency II	TPs per GAAP	TPs per Solvency II
	USD'000	USD'00	USD'00	USD'00
Workers' Compensation				
Best estimate of liabilities (BEL)	58,225	38,038	57,278	40,247
Risk margin	-	2,144	-	2,312
General Liability				
Best estimate of liabilities (BEL)	34,536	32,680	33,070	31,328
Risk margin	-	1,842	-	1,537
Motor Vehicle Liability				
Best estimate of liabilities (BEL)	6,179	8,650	5,824	5,716
Risk margin	-	487	-	299
Non-Proportional Casualty Reinsurance				
Best estimate of liabilities (BEL)	3,215	3,523	-	1,324
Risk margin	-	60	-	196
Total technical provisions	95,725	87,424	96,172	82,961

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

The reconciliation between the value of technical provisions for solvency purposes and the financial statements on 31 December 2024 are shown below¹:

Source of Change in Net Claims Provision	Gross USD'000	Reinsurer's share USD'000	Net USD'000
Net Statutory Reserves	98,940	3,215	95,725
Removal for margin for uncertainty	(1,899)	(624)	(1,274)
Inclusion of BBNI	27,213	1,117	26,096
SII Expenses	1,160	-	1,160
Allowance for ENIDs	2,426	65	2,361
Counterparty default	-	(3)	3
Unpaid premium and claims cashflows	(33,131)	(817)	(32,314)
Discounting	(11,818)	(506)	(11,312)
Solvency II Claim Provisions	82,891	2,447	80,445
Risk Margin	4,533	-	4,533
Net Technical Provisions	87,424	2,447	84,978

¹ Some rounding differences may apply in the above tables.

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

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

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

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

D.3 Other Liabilities

Deferred Tax liability of USD 1.643m arises due to the valuation difference on the technical provisions, between the Financial Statement Balance Sheet and Solvency II Balance Sheet, multiplied by the applicable tax rate (12.5%).

Payables (trade, not insurance) consists of corporation tax payable USD 0.083m (2023: Nil).

Other liabilities of USD 0.222m relate to accrued expenses and are classified as any other liabilities, not elsewhere shown for solvency purposes.

Other liabilities on an accounting basis on 31 December 2024 are USD 2.388m (2023: USD 3.905m) and are composed of amounts owed to fellow subsidiaries and third-party insurer. The amounts payable and insurance expenses have been classified to be within the Best Estimate liabilities for the Solvency II Balance Sheet. The impact is for these balances to be considered for discounting along with the other insurance cashflows. This treatment is based on the fact that these insurance balances relate to the period of unexpired risk.

D.4 Alternative Methods of Valuation

No alternative methods were used.

There are no estimation or valuation uncertainty with regard to the valuation of all assets and liabilities except technical provisions.

There have been no changes to the recognition and valuation bases or to estimations during the year.

D.5 Any Other Information

Going concern

In making the going concern assessment, the Directors considered the principal risks faced by the Company, its existing financial and operational resources and its overall solvency position.

- a) the Company's capital position and the surplus over its required solvency capital ratio and minimum capital ratio;
- c) the Company's initial assessment of the impact on its business and investments
- d) the Company's liquidity position.

On the basis of the above, the directors have concluded that the Company has no material uncertainties, which would cast significant doubt on the going concern assumption.

There is no other information to report.

E. CAPITAL MANAGEMENT

E.1 Own Funds

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

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

On an annual basis the Company reviews the level, composition and classification of own fund items to ensure they continue to meet its own solvency needs, and its regulatory obligations in respect of Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR). A three-year forward-looking time horizon is used for business planning purposes and any anticipated changes to the Company’s business and risk profile are factored into the ORSA process to assess the solvency and capital needs over this business planning period. It is intended that the Company’s capital needs will be managed out of its existing pool of own funds and the efficient management of the Company’s reinsurance business. Should additional funds be required outside of that, they will be advanced by the shareholder. There have been no material changes to this approach from the prior year.

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

- Issued Share Capital; and
- Retained Earnings.

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

The payment of dividends is considered on an annual basis by the Board as part of its medium-term capital assessment. A dividend was paid in 2024 USD 15.000m (2023: 6.000m).

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

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

	2024 USD’000	2023 USD’000
Ordinary paid-up share capital	2,000	2,000
Reconciliation reserve	102,882	109,001
Total basic own funds	104,882	111,001

The movement in basic own funds reflects the increase in the reconciliation reserve which represents the Company's retained profits as adjusted for Solvency II valuation principles. The adjustments which arise in the application of these principles are shown in the equity reconciliation below.

At the end of the current reporting period eligible own funds available to meet the Company's SCR and MCR are USD 104,882m (2023: USD 111.001m), comprised solely of Tier 1 capital.

The equity position as shown in the Company's 2024 year-end financial statements can be reconciled to the basic own funds balance under Solvency II as follows:

	2024 USD'000
Equity per the Company's financial statements	93,390
Adjustments to technical provisions	11,515
Adjustment for reinsurance recoverable	(768)
Removal of reinsurance creditors	2,388
Deferred tax liability	(1,643)
Own funds (excess of assets over liabilities for solvency purposes)	104,882

Adjustments are made to technical provisions in line with the valuation methodologies set out in section D.2 above. This results in the removal of reinsurance debtor and creditor balances as the future cash flows in relation to these items are dealt with as part of the calculation of technical provisions. Deferred tax is provided on these adjustments at the applicable tax rate. All adjustments are reflected in the Company's reconciliation reserve.

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

E.2 Solvency Capital Requirement & Minimum Capital Requirement

At the end of the current reporting year, SGRD SCR and MCR have been calculated as USD 65.936m and USD 16.484m respectively (2023: USD 67.219m and USD 16.805m).

The SCR is intended to correspond to the capital the Company needs to hold in order to limit the probability of ruin, in the following 12 months, to 0.5%, i.e. ruin would occur less than once in every 200 years. The SCR calculated at the end of the current reporting period, relates to the capital required to support the business over the prospective 12 months; covering both existing liabilities and business written during 2024. Based on the Company's eligible own funds of USD 104.882m (2023: USD 111.001m) the Company has a solvency ratio on 31 December 2024 of 159% (2023: 165%).

The SCR has been calculated using the standard formula and without the application of any undertaking specific parameters. In the non-life risk module, the risk margin on technical provisions has been calculated using the second simplification provided in EIOPA's technical specifications. This is considered appropriate given the nature of the Company's business as a captive reinsurer.

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

	USD'000 2024	USD'000 2023
Market risk	51,540	52,481
Counterparty default risk	177	8
Health underwriting risk	16,370	16,663
Non-life underwriting risk	15,999	17,038
Diversification	-20,656	-21,329
Basic Solvency Capital Requirement	63,430	64,861
Operational risk	2,506	2,358
Solvency Capital Requirement (SCR)	65,936	67,219
Eligible Own Funds	104,882	111,001
Excess Funds of the SCR	38,946	43,782
SCR Ratio	159%	165%
Minimum Capital Requirement (MCR)	16,484	16,805
MCR Ratio	636%	661%

The MCR is calculated through a prescribed formula based on the net technical provisions (excluding the risk margin) and net written premium. It is also constrained to be between 25% and 45% of the SCR. Further to this, SI 485 sets out absolute minimum MCR values for non-life and life insurers, reinsurers and captives. In the case of SGRD, as a non-life captive reinsurer this absolute floor is the USD equivalent of a fixed amount of EUR 1.300m. Having carried out the calculations and applied the relevant limits, the resultant MCR for the Company is USD 16.484m (2023: USD 16.805m).

E.3 Use of Duration-based Equity Risk Sub-Module in calculation of the SCR

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

E.4 Differences between the Standard Model & Any Internal Model

SGRD used the Standard Formula model and does not rely on any internal model.

E.5 Non-Compliance with MCR and SCR

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

E.6 Any Other Material Information

When assessing the going concern of the Company, no events or conditions have been identified that may cast significant doubt on the Company's ability to continue as a going concern. In making this assessment the financial and solvency position and the surplus over its required solvency capital ratio and minimum capital ratio, the liquidity position, operational resilience, and legal and compliance risks have been considered.

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

ANNEX I – QUANTITATIVE REPORTING TEMPLATES

The following audited quantitative data has been added to Appendix 1.

S.02.01.02 – Balance sheet

S.04.05.21 - Premiums, claims and expenses by country

S.05.02.02 – Premiums, claims and expenses by country (Unaudited)

S.17.01.02 – Non-Life technical provisions

S.19.01.21 – Non-Life claims triangles

S23.01.01 – Own Funds

S25.01.21 – SCR using standard formula

S28.01.01 – MCR

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

		C0010
		Solvency II value
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	0
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	
R0190	Derivatives	
R0200	Deposits other than cash equivalents	
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	191,682
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	191,682
R0270	Reinsurance recoverables from:	2,447
R0280	Non-life and health similar to non-life	2,447
R0290	Non-life excluding health	2,447
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	39
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	
R0410	Cash and cash equivalents	39
R0420	Any other assets, not elsewhere shown	48
R0500	Total assets	194,254

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

		C0010 Solvency II value
Liabilities		
R0510	Technical provisions – non-life	87,424
R0520	Technical provisions – non-life (excluding health)	47,242
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	44,853
R0550	Risk margin	2,390
R0560	Technical provisions - health (similar to non-life)	40,182
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	38,038
R0590	Risk margin	2,144
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	Technical provisions calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions – index-linked and unit-linked	0
R0700	Technical provisions calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	1,643
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	83
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	
R0880	Any other liabilities, not elsewhere shown	222
R0900	Total liabilities	89,372
R1000	Excess of assets over liabilities	104,882

S.04.05.21 - Premiums, claims and expenses by country (In thousands of USD)

Non-life insurance and reinsurance obligations							
	R0010	Home country	Top 5 countries: non-life				
			US				
		C0010	C0020	C0021	C0022	C0023	C0024
Premiums written (gross)							
Gross Written Premium (direct)	R0020						
Gross Written Premium (proportional reinsurance)	R0021		35,019				
Gross Written Premium (non-proportional reinsurance)	R0022		2,712				
Premiums earned (gross)							
Gross Earned Premium (direct)	R0030						
Gross Earned Premium (proportional reinsurance)	R0031		35,019				
Gross Earned Premium (non-proportional reinsurance)	R0032		2,712				
Claims incurred (gross)							
Claims incurred (direct)	R0040						
Claims incurred (proportional reinsurance)	R0041		30,992				
Claims incurred (non-proportional reinsurance)	R0042		2,712				
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	R0050						
Gross Expenses Incurred (proportional reinsurance)	R0051						
Gross Expenses Incurred (non-proportional reinsurance)	R0052						

Life insurance and reinsurance obligations							
	R1010	Home country	Top 5 countries: life and health SLT				
		C0010	C0020	C0021	C0022	C0023	C0024
Gross Written Premium	R1020						
Gross Earned Premium	R1030						
Claims incurred	R1040						
Gross Expenses Incurred	R1050						

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

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				TOTAL
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	
Premiums written									
Gross - Direct Business	R0110								0
Gross - Prop reinsurance accepted	R0120								35,019
Gross - Non-Prop reinsurance accepted	R0130					2,712			2,712
Reinsurers' share	R0140					2,630			2,630
Net	R0200	0	0	0	0	82	0	0	35,101
Premiums earned									
Gross - Direct Business	R0210								0
Gross - Prop reinsurance accepted	R0220								35,019
Gross - Non-Prop reinsurance accepted	R0230					2,712			2,712
Reinsurers' share	R0240					2,630			2,630
Net	R0300	0	0	0	0	82	0	0	35,101
Claims incurred									
Gross - Direct Business	R0310								0
Gross - Prop reinsurance accepted	R0320								30,992
Gross - Non-Prop reinsurance accepted	R0330					2,712			2,712
Reinsurers' share	R0340					2,630			2,630
Net	R0400	0	0	0	0	82	0	0	31,074
Expenses incurred	R0550					-18			714
Balance - other technical	R1210								
Total technical expenses	R1300								714

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

		Direct business and accepted proportional reinsurance											
		Medical expense insurance	Income protection insurance	Workers' compensatio n insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130
Technical provisions calculated as a whole	R0010												
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050												
Technical provisions calculated as a sum of BE and RM													
Best estimate													
Premium provisions													
Gross	R0060			-8,049	-289				-1,941				
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140												
Net Best Estimate of Premium Provisions	R0150	0	0	-8,049	-289	0	0	0	-1,941	0	0	0	0
Claims provisions													
Gross	R0160			46,088	8,939				34,621				
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240												
Net Best Estimate of Claims Provisions	R0250	0	0	46,088	8,939	0	0	0	34,621	0	0	0	0
Total Best estimate - gross	R0260	0	0	38,038	8,650	0	0	0	32,680	0	0	0	0
Total Best estimate - net	R0270	0	0	38,038	8,650	0	0	0	32,680	0	0	0	0
Risk margin	R0280			2,144	487				1,842				
Amount of the transitional on Technical Provisions													
Technical Provisions calculated as a whole	R0290												
Best estimate	R0300												
Risk margin	R0310												
Technical provisions - total													
Technical provisions - total	R0320	0	0	40,182	9,138	0	0	0	34,522	0	0	0	0
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	0	0	0	0	0	0	0	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	40,182	9,138	0	0	0	34,522	0	0	0	0

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

		Accepted non-proportional reinsurance				TOTAL
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0140	C0150	C0160	C0170	
Technical provisions calculated as a whole	R0010					0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050					0
Technical provisions calculated as a sum of BE and RM						
Best estimate						
<u>Premium provisions</u>						
Gross	R0060		147			-10,133
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140		133			133
Net Best Estimate of Premium Provisions	R0150	0	15	0	0	-10,265
<u>Claims provisions</u>						
Gross	R0160		3,375			93,024
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240		2,314			2,314
Net Best Estimate of Claims Provisions	R0250	0	1,061	0	0	90,709
Total Best estimate - gross	R0260	0	3,523	0	0	82,891
Total Best estimate - net	R0270	0	1,076	0	0	80,444
Risk margin	R0280		60			4,533
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole	R0290					0
Best estimate	R0300					0
Risk margin	R0310					0
Technical provisions - total						
Technical provisions - total	R0320	0	3,583	0	0	87,424
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	2,447	0	0	2,447
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	1,136	0	0	84,978

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

Gross Claims Paid (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10+	Current year	All years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		
Prior	R0100											1,063	1,063	1,063
N-9	R0160	3,450	4,950	3,638	3,276	3,860	1,056	1,189	725	394	164	*	164	22,701
N-8	R0170	4,325	4,881	4,142	2,990	2,285	1,736	856	1,195	980	*	*	980	23,390
N-7	R0180	5,472	5,374	6,377	3,288	2,833	3,347	1,903	1,366	*	*	*	1,366	29,961
N-6	R0190	4,638	5,987	5,954	3,960	3,576	2,419	893	*	*	*	*	893	27,427
N-5	R0200	5,246	4,310	7,429	5,409	4,070	2,470	*	*	*	*	*	2,470	28,935
N-4	R0210	4,736	5,698	6,524	5,701	4,664	*	*	*	*	*	*	4,664	27,323
N-3	R0220	4,418	6,443	5,201	3,885	*	*	*	*	*	*	*	3,885	19,947
N-2	R0230	4,814	6,486	4,628	*	*	*	*	*	*	*	*	4,628	15,928
N-1	R0240	5,196	6,229	*	*	*	*	*	*	*	*	*	6,229	11,425
N	R0250	5,179											5,179	5,179
Total													31,522	213,280

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

		0	1	2	3	4	5	6	7	8	9	10+	Year End (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	
Prior	R0100											4,603	
N-9	R0160	28,558	25,263	17,180	11,054	6,176	4,127	3,431	2,375	1,727	1,185	*	812
N-8	R0170	28,136	23,466	16,768	8,897	6,050	3,845	4,848	2,095	1,640	*	*	1,169
N-7	R0180	24,799	23,174	13,655	8,813	5,766	4,537	2,618	2,102	*	*	*	1,559
N-6	R0190	31,725	20,775	13,764	8,359	7,424	3,664	2,623	*	*	*	*	2,026
N-5	R0200	36,964	21,432	13,063	10,730	5,451	3,827	*	*	*	*	*	3,078
N-4	R0210	35,917	20,589	14,741	7,559	5,632	*	*	*	*	*	*	4,715
N-3	R0220	36,491	19,586	12,348	7,704	*	*	*	*	*	*	*	6,704
N-2	R0230	27,275	20,054	12,170	*	*	*	*	*	*	*	*	11,014
N-1	R0240	37,643	20,290	*	*	*	*	*	*	*	*	*	19,094
N	R0250	40,978											40,148
Total													93,024

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

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	2,000	2,000			
Share premium account related to ordinary share capital	R0030	0				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Surplus funds	R0070	0				
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	102,882	102,882			
Subordinated liabilities	R0140	0				
An amount equal to the value of net deferred tax assets	R0160	0				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	0				
Total basic own funds after deductions	R0290	104,882	104,882	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0

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

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	104,882	104,882	0	0	0
Total available own funds to meet the MCR	R0510	104,882	104,882	0	0	
Total eligible own funds to meet the SCR	R0540	104,882	104,882	0	0	0
Total eligible own funds to meet the MCR	R0550	104,882	104,882	0	0	
SCR	R0580	65,936				
MCR	R0600	16,484				
Ratio of Eligible own funds to SCR	R0620	1.590674406				
Ratio of Eligible own funds to MCR	R0640	6.362697528				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	104,882
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	2,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	102,882
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	10,572
Total Expected profits included in future premiums (EPIFP)	R0790	10,572

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

Basic Solvency Capital Requirement

		Gross solvency capital requirement	USP	Simplifications
		C0040	C0090	C0100
Market risk	R0010	51,540		
Counterparty default risk	R0020	177		
Life underwriting risk	R0030			
Health underwriting risk	R0040	16,370		
Non-life underwriting risk	R0050	15,999		
Diversification	R0060	-20,656		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	63,430		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	2,506
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	65,936
Capital add-on already set	R0210	0
of which, capital add-ons already set - Article 37 (1) Type a	R0211	
of which, capital add-ons already set - Article 37 (1) Type b	R0212	
of which, capital add-ons already set - Article 37 (1) Type c	R0213	
of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement	R0220	65,936
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

Approach to tax rate

		Yes/No
		C0109
Approach based on average tax rate	R0590	

Calculation of loss absorbing capacity of deferred taxes

		LAC DT
		C0130
LAC DT	R0640	
LAC DT justified by reversion of deferred tax liabilities	R0650	
LAC DT justified by reference to probable future taxable economic profit	R0660	
LAC DT justified by carry back, current year	R0670	
LAC DT justified by carry back, future years	R0680	
Maximum LAC DT	R0690	

S.28.01.01 - MCR (In thousands of USD)

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	11,613

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040	38,038	21,716
Motor vehicle liability insurance and proportional reinsurance	R0050	8,650	3,859
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	32,680	9,444
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150	1,076	82
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

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

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

Overall MCR calculation		C0070
Linear MCR	R0300	11,613
SCR	R0310	65,936
MCR cap	R0320	29,671
MCR floor	R0330	16,484
Combined MCR	R0340	16,484
Absolute floor of the MCR	R0350	1,244
Minimum Capital Requirement	R0400	16,484