

# WEST.

## THE WEST OF ENGLAND SHIP OWNERS MUTUAL INSURANCE ASSOCIATION (LUXEMBOURG)

Single Solvency & Financial Condition Report (Single SFCR)  
as at 20 February 2023



The West of England Ship Owners Mutual  
Insurance Association (Luxembourg)

RCS Luxembourg B8963  
31 Grand-Rue, L-1661 Luxembourg – T + (352) 4700671

# Contents

<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>BUSINESS &amp; PERFORMANCE</b>	<b>5</b>
A.1 Business	5
A.2 Underwriting Performance	9
A.3 Investment Performance	10
A.4 Performance of Other Activities	11
A.5 Any Other Information	11
<b>SYSTEM OF GOVERNANCE</b>	<b>12</b>
B.1 General Information on System of Governance	12
B.2 Fit & Proper Requirements	14
B.3 Risk Management System Including the Own Risk & Solvency Assessment (ORSA)	14
B.4 Internal Control System	17
B.5 Internal Audit	17
B.6 Actuarial Function	17
B.7 Outsourcing	18
B.8 Any Other Information	18
<b>RISK PROFILE</b>	<b>19</b>
C.1 Underwriting Risk	19
C.2 Market Risk	20
C.3 Credit Risk	22
C.4 Liquidity Risk	23
C.5 Operational Risk	23
C.6 Other Material Risk	24
C.7 Any Other Information	24
<b>VALUATION FOR SOLVENCY PURPOSES</b>	<b>25</b>
D.1 Assets	25
D.2 Technical Provisions	27
D.3 Other Liabilities	28
D.4 Alternative Methods for Valuation	29
D.5 Any Other Information	29
<b>CAPITAL MANAGEMENT</b>	<b>30</b>
E.1 Own Funds	30
E.2 Solvency Capital Requirement and Minimum Capital Requirement	32
E.3 Use of The Duration-Based Equity Risk Sub-Module in The Calculation of The Solvency Capital Requirement	33
E.4 Differences Between the Standard Formula and Any Internal Model Used	33
E.5 Non-Compliance with The Minimum Capital Requirement and Non-Compliance with The Solvency Capital Requirement	33
<b>APPENDIX: QUANTITATIVE DISCLOSURES (QRTS)</b>	<b>34</b>

# Executive Summary

The Club is pleased to report a positive operating performance for the financial year 2022/23 with a combined ratio of 96.7%, justifying the actions taken at recent renewals. The Club's overall capital strength remains strong as reflected by the improvement of its solvency II coverage which increased from 163% to 176%, the Free Reserve of USD 230.8m and the BBB+ rating, stable outlook, with Standard and Poor's. With an improved risk profile, a better rating environment and an increased prospective investment return due to higher interest rates, the Club is well positioned to deliver a positive performance into the future.

Group  
Solvency  
ratio  
**176%**

S&P rating  
**BBB+**  
Stable  
Outlook

Solvency II  
eligible  
own funds  
**USD  
385m**

Combined ratio  
**96.7%**

Net incurred claims for the financial year ending 20 February 2022 were lower in cost than 2020 and 2021. Covid claims reduced significantly, and our Members' claims on prior years developed better than expectations. In addition to the improvements seen from our own Members' claims, the Pool cost was exceptionally benign in Policy Year 2022, although this should not be considered a new norm. This came after four years where there had been a material increase in cost, a trend the market was understandably concerned about. While this was a welcome reduction in cost in 2022, there was however material latent deterioration in the back year Pool development reported by other Clubs, which was most evidenced in 2020 but also in 2019 and 2021.

With inflation at levels not seen since the early 1980s, central banks tightened financial conditions and increased interest rates significantly. This caused fixed income investments to underperform on a mark to market basis and led to a negative 3.6% investment return for the year. Most of these losses are unrealised, and going forward this means the yield of the Club's fixed income investment is significantly higher than at 20 February 2022, which should support higher investment returns in the long-term.

This Solvency & Financial Condition Report ("SFCR") as of 20 February 2023 provides further detail on the capital strength of the Club and its improved Group Solvency II ratio of 176%. The Eligible Own Funds increased from USD 358.0 to 385.1 million and continue to provide a considerable margin over the Group Solvency Capital Requirement ("SCR") of USD 218.6 million.

The Club's solvency position reflects both its financial strength and its moderate risk appetite consistent with the Board's overarching objective of preserving its Members' capital. The capital strength of the Club and its continued commitment to high quality service position it well to meet the increasing requirements of its Membership.

# Regulatory Disclosures

This SFCR was approved by the Board of Directors of the Association on 11 July 2023. It has been prepared in accordance with the requirements of the Solvency II Directive and related Delegated Regulation as transposed into the Luxembourg Insurance Law of 7 December 2015. The report covers Business & Performance, System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

As a single SFCR, this document includes the disclosure obligations of the Club's entities which are subject to Solvency II regulation, both at Group level and Entity level:

- The West of England Ship Owners Mutual Insurance Association (Luxembourg) - Group
- The West of England Ship Owners Mutual Insurance Association (Luxembourg) - Entity
- International Shipowners Reinsurance Company S.A. (hereafter referred as "ISRe")

All monetary figures in the report are in USD '000 unless specified otherwise.

All consolidated accounting figures in the tables in this report are reported both on a Market Value basis<sup>1</sup> and Luxembourg GAAP ("Lux GAAP") basis<sup>2</sup> while all Solo entity and ISRe financial statements are produced on a Lux GAAP basis only.

<sup>1</sup> The consolidated accounts of the Club are prepared on a market value basis for comparison with other members of the International Group of P&I Clubs.

<sup>2</sup> Investments on a Luxembourg GAAP basis are valued at the lower of cost and market value.

# Business & Performance

## A.1 Business

The West of England Ship Owners Mutual Insurance Association (Luxembourg), whose origins date back to the 1830s, is a leading mutual marine insurer providing its worldwide Membership of shipowners, charterers and operators with liability insurance and related services. In addition to providing mutualised protection and indemnity insurance it also safeguards and promotes its Members' interests in other areas of their business by, for instance, providing regular advice and guidance about loss prevention, sanctions or any relevant changes in maritime law and practice.

The Club underwrites primarily P&I risks, operating as one of 12 independent clubs in the International Group of P&I Clubs ("IG") which together provide liability cover for the majority of the world's merchant marine fleet. P&I cover has developed over more than 150 years in response to shipowners needs, to provide coverage and levels of cover substantially unavailable in the traditional marine insurance markets. The Club's market share is over 7% of the IG's mutual P&I premium.

The Club provides cover of approximately USD 8.9 billion per claim but with separate limits of cover for oil pollution of USD 1 billion, USD 2.1 billion for passenger liabilities and USD 3.1 billion for passenger and crew liabilities combined.

The main areas of cover are for liabilities, costs and expenses incurred in respect of:

- Injury, illness or death of seafarers, passengers and others;
- Loss of or damage to cargo;
- Wreck removal;
- Pollution;
- Collision;
- Damage to fixed and floating objects;
- Fines and civil penalties.

The individual club retention remains USD 10 million. In aggregate, the P&I clubs offer cover through a combination of the individual club retention, the International Group Pool, the International Group General Excess of Loss Contract, the Collective Overspill Reinsurance Contract, and the Group Overspill System.

In addition to its core P&I offering, the Club also provides cover for:

- discretionary insurance for legal expenses, also known as Freight, Demurrage and Defence (or "FDD") risks, to complement the P&I insurance of entered vessels;
- Hull and Machinery insurance ("H&M"), insuring against loss of or damage to a vessel's hull and machinery, including Increased-Value, Freight Interest and/or Loss of Hire insurance cover as required;
- War risks insurance, being cover against damage, loss and liabilities from primary war risks normally excluded from standard H&M and P&I policies.

The Club was established in its current form in 1970 when its headquarters were relocated from London to the Grand Duchy of Luxembourg to ensure that the Club would be domiciled in a country with an established international financial centre, a favourable exchange control regime and a stable and beneficial legal system for mutual insurance Clubs.

The Club currently insures 260 fleets, representing 4,770 insured vessels and approximately 96.5 million gross tonnes (all numbers at 20 May 2023).

Since the Club is managed as a consolidated entity, this report has been prepared on a single Group basis. Where it differs from that of the Group, this report also includes information about the Club on a standalone or “Solo” basis and about International Shipowners Reinsurance S.A. (ISRe), a wholly owned reinsurance subsidiary of the Club also domiciled in Luxembourg.

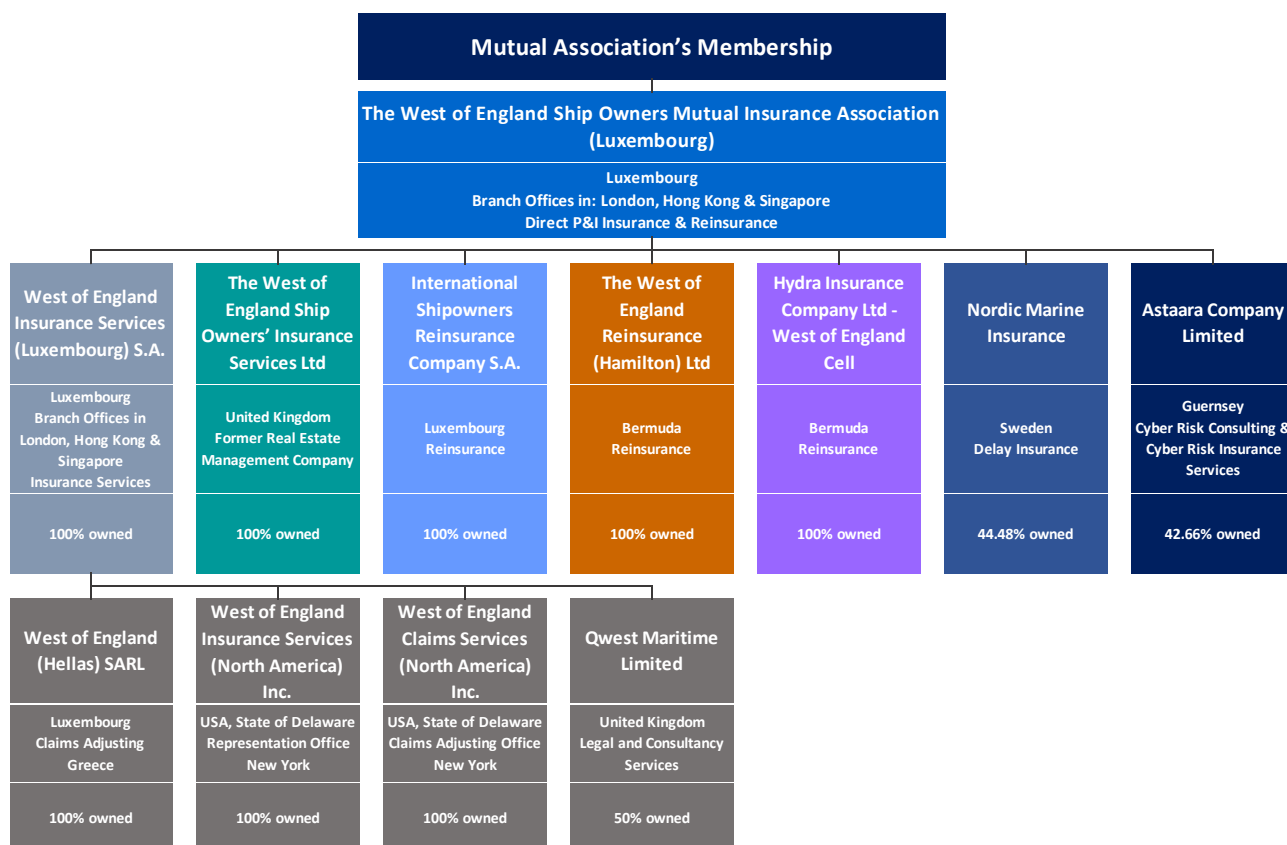
The Club is interactively rated by S&P and maintains a BBB+ rating, stable outlook.

## Ownership and Group Structure

This section refers to Guideline 1 in the EIOPA Guidelines on Reporting & Public Disclosure.

As a mutual insurance association, the Club has no share capital and no beneficial ownership. It is owned and controlled by its Members (policyholders) who have voting rights at the Annual General Meeting in proportion to their entered tonnage. Due to the Mutual Insurance Association structure of the Club and the very large number of Members, no Member is considered as a “controlling entity”.

The Group’s structure is as follows:



The West of England Ship Owners Mutual Insurance Association (Luxembourg) is the ultimate holding company within the West of England Group. It acts as primary insurer and risk carrier for all Members and is established in Luxembourg where it is regulated and supervised by the Commissariat aux Assurances (“CAA”). The Club operates worldwide through branches in the UK, Hong Kong and Singapore. Its external auditors are Deloitte, 20 Boulevard de Kockelscheuer, 1821 Luxembourg.

The Club’s branch office activity in the UK is supervised by the Prudential Regulation Authority (“PRA”) and the Financial Conduct Authority (“FCA”). The Hong Kong branch is supervised by the Insurance Authority (“IA”) and the Singapore branch is regulated by the Monetary Authority of Singapore (“MAS”). The Club is also registered as an alien Surplus Line insurer underwriting risks in the U.S. with the National Association of

Insurance Commissioners (NAIC). The Club is passported across the European Union to do business under the Freedom of Services.

The Club has appointed its subsidiary, West of England Insurance Services (Luxembourg) S.A. (“Services” or “the Managers”) with branch offices in London, Hong Kong and Singapore to run its day-to-day insurance operations. Services has a fully owned subsidiary in Luxembourg, West of England (Hellas) SARL (“Hellas”), which acts as a representative office in Piraeus for claims adjusting. It has also established two fully owned subsidiaries in the United States of America, West of England Insurance Services (North America) Inc. which promotes the Club’s interests in North America, and West of England Claims Services (North America) Inc. which assists its parent company in the management of claims in North America.

In addition, the Group has the following wholly owned subsidiaries:

Subsidiary	Purpose
International Shipowners Reinsurance Company S.A. (“ISRe”)	ISRe reinsures 80% of the Club’s net underwriting risks, essentially on a quota-share basis, and manages the investment portfolio on behalf of the group through a pooling mechanism. ISRe is also headquartered in Luxembourg and, as such, regulated and supervised by the CAA.
The West of England Reinsurance (Hamilton) Ltd. (“Hamilton”)	Hamilton, reinsures currently 10% of the business of its parent mainly on a quota-share basis. The Company is headquartered in Bermuda and regulated by the Bermuda Monetary Authority (“BMA”).
A segregated “Cell” in Hydra Insurance Company Ltd. (“Hydra”)	Hydra is a Bermuda based captive reinsurer comprising 13 individual cells, each one owned by one of the Clubs of the IG. Hydra retains a portion of risk under the IG Pool and the Group Excess Loss Reinsurance Programme. It is designed to secure payment by clubs of their contributions to the Pool. Hydra forms part of the reinsurance structure under the IG Pooling Agreement.
The West of England Ship Owners Insurance Services Limited (“Services Ltd”)	This entity used to be the Club’s Management Company in London prior to 2006. It then owned and managed the Club’s property in London (Tower Bridge Court). Since Tower Bridge Court was sold in July 2018, the Company is now effectively dormant and has no activity.

To broaden its product offering and value proposition to its Membership, the Club also invested into strategic partnerships with:

Strategic Partnership	Business
Nordic Marine Insurance (“NMI”)	NMI is a leading independent marine insurance company and provider of niche insurance products to the global maritime industry, with the benefit of strong partnerships with major re-insurers. NMI offers fixed premium insurance specialising in Primary Layer Loss of Earnings, Maritime Lien solutions and other specialised covers for vessels.
Astaara Company Limited (“ACL”)	Astaara is a cyber risk insurance services company dedicated to providing integrated, holistic insurance and risk management solutions for the maritime industry (shipowners, the offshore industry and port operators).
Qwest Maritime Limited (“Qwest”)	Qwest brings together the insurance expertise of the Club and the innovative legal and consultancy skills of C Solutions to offer the maritime industry a suite of tailored products to address those needs. The Company supports ship owners, operators, charterers and other operators in the marine transportation chain across the full voyage lifecycle, from the provision of pre-fixture advice and information through to the post-voyage collection of demurrage and dispute resolution.

## Offices and Headcount

As of 20 February 2023, the Club employed 155.1 full time equivalents with the following breakdown:

Location	Description	Primary Functions	Full time equivalents
Luxembourg	Head Office	<ul style="list-style-type: none"> <li>Representation of the Board</li> <li>Compliance, including Solvency requirements, Legal and Company Secretariat</li> <li>Investments</li> </ul>	4
London	Services Branch	<ul style="list-style-type: none"> <li>Underwriting</li> <li>Claims Management</li> <li>Support Functions (Finance, HR, IT)</li> </ul>	87.9
Hong Kong	Services Branch	<ul style="list-style-type: none"> <li>Underwriting</li> <li>Claims Management</li> </ul>	35.2
Singapore	Services Branch	<ul style="list-style-type: none"> <li>Underwriting</li> <li>Claims Management</li> </ul>	9
Piraeus	Representative Office / West of England (Hellas) Limited	<ul style="list-style-type: none"> <li>Claims Adjusting</li> </ul>	15
New York	Representative Office / West of England Insurance Services (North America) Inc.	<ul style="list-style-type: none"> <li>Promoting the Club and its insurance services in North America</li> </ul>	1
New York	Representative Office / West of England Claims Services (North America) Inc.	<ul style="list-style-type: none"> <li>Claims Management services for North America</li> </ul>	3
<b>Total</b>			<b>155.1</b>

## Business Overview

The technical performance of the Club improved significantly last year, and the technical result was a positive USD 8.0 million resulting in a combined ratio of 96.7%.

The Club made the difficult decision in February 2022 to part company with a small number of Members where we did not feel the premium was commensurate for the risk. This action has had an immediate positive effect on the claim's figures, and we expect further benefits in the future. Covid claims, which had explained an important part of the last two years' technical deficits, reduced during financial year 2022/23 which contributed positively to the improvement in operating performance.

The unexpected benign pool activity for policy year 2022 was positive to the performance, but most of that benefit was offset by significant deterioration of previous policy years. The reduced activity in last year was welcome respite for the whole industry and favourably affected our combined ratio. This will mean the IG average combined ratio will be lower this year, although this should not be considered the new norm as we expect Pool claims to return to a more normal level in 2023/24.

Investment markets were challenging and caused the Club's free reserve to fall, the actions of central banks to reduce inflation causing unrealised losses for the Club's fixed income investments but also for other classes due to fears that monetary tightening would send major economies into a recession. The positive correlation between main asset classes meant that despite being conservative and diversified, the Club's investments



returned a negative 3.6% for the year. In capital models such as Solvency II, the impact was mitigated by the asset-liability matching strategy in place which combined with the improved operating performance meant the Solvency II coverage of the Club improved from 163% to 176%.

Going forward, the improved risk profile of the book following the de-risking in 2022, the disciplined approach at renewal 2023 and a further improvement of the premium adequacy support the Club's operating performance. These factors and an improved prospective investment return mean that the Club's capital is expected to strengthen further in the short-term, from an already strong base position reflected by the Club's BBB+ rating with Standard and Poor's (stable outlook) and its 176% Solvency II ratio.

Entity	Solvency II Ratio		Coverage of Minimum Capital Requirement (MCR)	
	2023	2022	2023	2022
Club Consolidated	176%	163%	305%	290%
Club Solo	247%	238%	788%	754%
ISRe	160%	160%	274%	274%

## A.2 Underwriting Performance

The following table provides a summary of the Club's Underwriting performance for the financial year ended 20 February 2023 (in USD '000):

	Club Consolidated (Market value basis)		Club Consolidated (Lux GAAP)		Club Solo		ISRe	
	2023	2022	2023	2022	2023	2022	2023	2022
Gross Premium Earned	293,170	266,457	293,170	266,457	293,170	266,457	117,683	134,898
Net Premium Earned	244,683	222,839	244,683	222,839	86,257	51,817	117,683	134,898
Net Incurred Claims	(187,687)	(210,065)	(187,687)	(210,065)	(20,175)	(33,006)	(113,882)	(140,722)
Operating Expenses	(49,019)	(44,867)	(48,861)	(44,712)	(49,244)	(44,525)	(415)	(515)
Net Underwriting Result	7,977	(32,093)	8,135	(31,938)	16,838	(25,714)	3,386	(6,339)
Combined Ratio	96.7%	114.4%						

Gross premium earned for 2022/23 increased by 10.0% to USD 293.1 million, despite a significant reduction in tonnage entered following the de-risking implemented at renewal 2022. The Club's underwriting result was a surplus of USD 8.0 million for the financial year, which resulted in a combined ratio of 96.7% and a significant and continued improvement from the 114.4% reported for financial year 2021/22 and the 139.8% reported for financial year 2020/21 (during which the Club had suffered four pool claims of its own).

## A.3 Investment Performance

The Club's investment portfolio returned -3.5% or USD -24.7 million for financial year 2022/2023. Including exchange revaluation on other balance sheet items, amortisation of goodwill and contribution of strategic partnerships, the consolidated investment return was a negative USD 28.6 million. The trend for the financial year 2022/23 was driven by monetary tightening globally resulting from an extraordinary high inflation environment. Major central banks such as the FED, the ECB and the BOE remained committed to their primary mission of providing price stability and increased interest rates gradually but sharply during the year. The yield for a 3 year U.S. Treasury, representative of the duration of the Club's technical liabilities, rose from 1.68% on 20 February 2022 to 4.31% on 20 February 2023. It was as low as 0.2% at 20 February 2021.

The Club's fixed income investments suffered from this rising rate environment on a market value basis and the liability-matching portfolio dropped 4.1% during the year. Within this portfolio, the sub-portfolios with longer duration and credit exposure suffered more, while shorter duration portfolios outperformed.

Listed Equities ended the financial year with a loss of 5.6%, having partly recovered from a trough of 19.8% mid-October 2022. The allocation to illiquid investments contributed positively to the portfolio return with an annual gain of 0.9%. Real Estate investments delivered satisfactory returns, but the trend changed during Q4 with valuations starting to adjust to higher interest rates. Infrastructure posted solid gains while opportunistic strategies underperformed due to lower valuation multiples.

The Club's investment strategy remains driven by the longer-term objective of maintaining low volatility, appropriate liability matching and therefore overall stability of the capital position. The portfolio remains primarily invested in high quality and liquid securities.

As at 20 February 2023, the market value of the Club's financial assets was USD 746 million (2022 USD 730 million). The portfolio structure and net returns were as follows:

	Weight		Net Return	
	2023	2022	2023	2022
Contingency Cash portfolio	14.0%	9.6%	-0.6%	-1.1%
Liability Matching portfolio	69.2%	65.1%	-4.1%	-2.5%
Growth portfolio - Liquid	9.3%	17.9%	-6.6%	+3.6%
Growth portfolio - Illiquid	7.5%	7.4%	+0.9%	+14.0%
Total	100%	100%	-3.5%	-0.3%

Net investment returns of financial assets, by portfolio and by entity were as follows:

	Club Consolidated (Market value basis)		Club Consolidated (Lux GAAP)		Club Solo		ISRe	
	2023	2022	2023	2022	2023	2022	2023	2022
Contingency Cash Portfolio	-0.6%	-1.1%	-0.3%	-0.9%	-0.1%	-0.3%	-0.8%	-2.0%
Liability Matching Portfolio	-4.1%	-2.5%	-3.7%	+0.9%	-3.7%	+0.9%	-3.7%	+0.9%
Growth portfolio - Liquid	-6.6%	+3.6%	+12.2%	+3.2%	+12.9%	+3.2%	+12.1%	+3.2%
Growth portfolio - Illiquid	+0.9%	+14.0%	+2.3%	+4.1%	+2.3%	+4.1%	+2.3%	+4.1%
Total	-3.5%	-0.3%	-0.7%	+1.4%	-0.6%	+1.0%	-0.8%	+1.4%

## A.4 Performance of Other Activities

The Club, on a consolidated basis, and ISRe did not record any material gains or losses resulting from other activities during the financial year ended 20 February 2023.

Please reference section D1 Leasing Arrangements in relation to Guideline 2 of the EIOPA Guidelines on Reporting & Public Disclosure.

## A.5 Any Other Information

### Overall Performance

The combination of underwriting performance and investment return generated an overall deficit of USD 20.3 million (2022 deficit of USD 40.1 million). The breakdown of the Income & Expenditure result by entity is as follows (in USD '000):

	Club Consolidated (Market value basis)		Club Consolidated (Lux GAAP)		Club Solo		ISRe	
	2023	2022	2023	2022	2023	2022	2023	2022
Underwriting Result	7,977	(32,093)	8,135	(31,938)	16,838	(25,714)	3,386	(6,339)
Investment Return	(28,566)	(7,140)	(9,496)	3,890	(2,899)	(3,728)	(3,149)	6,743
Taxes	273	(859)	273	(859)	620	(358)	(237)	(404)
Surplus / (Deficit)	(20,316)	(40,092)	(1,088)	(28,907)	14,559	(29,800)	-	-

# System of Governance

## B.1 General Information on System of Governance

### Board of Directors

The Club, like most P&I Clubs, operates on a mutual basis. A significant feature of the mutual structure is that the Club’s policyholders are also its sole and ultimate economic stakeholders.

The Club’s Board and committees comprise only Non-Executive Directors: Member Directors and Independent Directors representing specific areas of expertise.

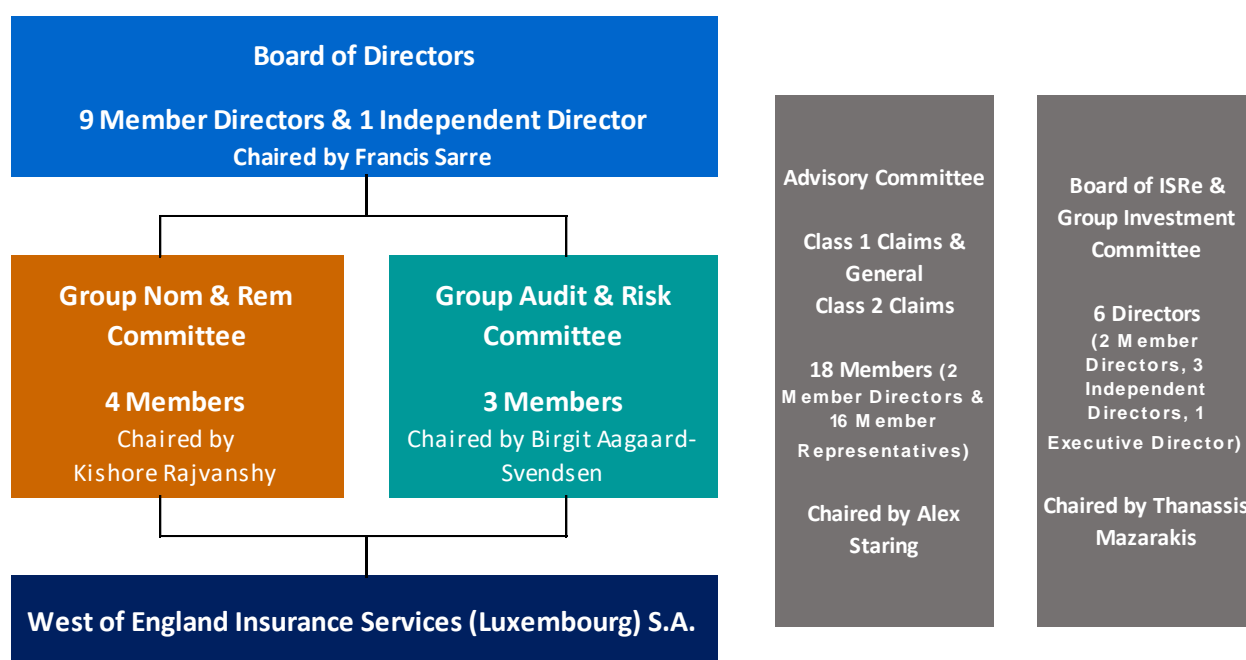
The Club’s Board currently has 10 Non-Executive Directors, 9 drawn from the Membership of the Club (Member Directors) and 1 independent (the former CFO of a listed shipping company). These Directors represent the mutual interests of the Club and come from a broad range of backgrounds and regions, mainly within operational, legal and financial disciplines.

The Board governs through a Committee structure consisting of the following committees:

- A Group Nomination & Remuneration Committee: currently 4 Member Directors;
- A Group Audit & Risk Committee: currently 1 Independent Director (as Chair of the Committee) and 2 Member Directors;
- An Advisory Committee: currently 18 members, 2 Member Directors and 16 representatives of the Membership.

The Club’s governance structure, including the terms of reference of the various committees is described in the Constitution and in the Corporate Governance Charter.

The investment strategy, investment risk and ex-post supervision of the investment portfolio are performed through the Board of ISRe acting as the Club’s Group Investment Committee. The Board of ISRe is currently composed of 6 Directors: 2 Member Directors including the Chair of the Club’s Board, 3 Independent Directors, including the Chair of the Group Audit & Risk Committee, and 1 Executive Director.



The Board of West of England (Hamilton) has currently 3 Directors, including 3 Member Directors.

The Club's Board and Committees meet at least four times a year to conduct and monitor business, except the Advisory Committee, which meets two times a year. The Board is responsible for deciding business and financial strategy and controlling results against objectives. This includes risk tolerances, solvency and capital adequacy, underwriting objectives, reinsurance programme, and investment strategy.

The Club's Board also reviews and approves the Risk Management framework, the Own Risk and Solvency Assessment (ORSA) and all relevant corporate policies.

The Club's Board relies on the Managers of West of England Insurance Services (Luxembourg) S.A. to execute the strategy and business plan and to manage the Club's business on a day-to-day basis.

### **The Club's Managers**

Services is responsible for the Club's day-to-day operations through its branches and according to a Management Agreement signed with its Parent Association. This comprises negotiating policy renewals and the underwriting of new business, claims adjusting and claim handling, reinsurance negotiation and management, risk management, business continuity, internal control, finance, and all other aspects of technical operations.

The Club is unusual in that its management company is a wholly owned subsidiary, whereas for a majority of other clubs it is a profit-making third-party partnership or company. This aspect of the Club's structure enhances corporate governance by providing closer ties and total alignment of interest between the Members and their Managers.

Services' Board meets monthly at which key financial and business data as well as compliance topics are reviewed while risk tolerances and indicators are reviewed quarterly by a Risk Committee.

Services' structure consists of six main functions operating across its geographical locations, each headed by a Director or Directors reporting to the Chief Executive Officer ("CEO") and Services' Board.

### **These functions are:**

- Operations & Business Continuity, including IT;
- Underwriting, including Loss Prevention;
- Claims Management;
- Finance, including the Actuarial Function, Data Quality and Risk Management;
- Compliance;
- Maritime Regulation, IG, Standards and Corporate Matters.

### **Remuneration Policy**

Non-executive Directors are remunerated on a fixed fee basis, including Board and Committee meetings attendance. The level of fees is reviewed annually by the Nomination & Remuneration Committee. The attendance schedule of Directors is reviewed at every Board meeting.

Pursuant to the Club's Remuneration Policy, the Group Nomination & Remuneration Committee also reviews and reports to the Board in the setting of objectives for the Services CEO and other Directors, evaluating their performance and making recommendations in respect of their remuneration.

Services staff are remunerated in a way which incentivises both individual and Club performance but in a way which ensures that risk-taking continues to be within the risk appetite measures set by the Board. Remuneration remains heavily weighted to fixed salary but also includes a bonus scheme and staff are entitled, inter alia, to pension scheme and healthcare benefits.

## B.2 Fit & Proper Requirements

The Club's policy is to ensure that the persons who effectively run the business or have other key functions in the organisation are 'fit'. For that purpose, the Club ensures that there is appropriate diversity of qualifications, skills and experience so that the Club and its subsidiaries are managed and overseen in a professional manner.

The Club also ensures that those persons running the business or having key management responsibilities are 'proper' by assessing their honesty, integrity and reputation.

The Fit and Proper policy is designed to assess the 'fit and proper' status of key individuals whether Directors or senior managers of the Club. It reflects the EIOPA guidelines on the system of governance issued in the context of the implementation of Solvency II<sup>3</sup>.

The policy applies to the Administrative, Management or Supervisory Body (AMSB) of the Club and its subsidiaries which represents the persons running the business:

- All new Directors (executive, non-executive and independent Directors) appointed to the Board of the Club or its subsidiaries;
- All existing Directors (non-executive and independent Directors) of the Club or its subsidiaries;
- The General Manager of the Club.

It also applies to the CEO of Services and officers in charge of the Four Key Functions:

- Chief Actuary;
- Risk Manager;
- Compliance Manager;
- Internal Auditor.

## B.3 Risk Management System Including the Own Risk & Solvency Assessment (ORSA)

The Association has established a management process for Risk Management ("RM") as part of its second line of defence. RM is currently under the responsibility of the Head of Risk and Chief Actuary and performed by the Risk Analyst.

The RM policy is set by the Club's Board and monitored on its behalf by the Group Audit & Risk Committee at every meeting. Day-to-day implementation and executive oversight are performed by the Managers' Board and its executive Directors through a dedicated Risk Committee coordinated by the Head of Risk and Chief Actuary and the Risk Analyst.

<sup>3</sup> Reference: EIOPA-BoS-14/253.

Key roles and responsibilities within the RM framework are defined as follows:

Stakeholder	Role & Responsibilities
Club's Board	<ul style="list-style-type: none"> <li>• Approve RM policy statement and framework;</li> <li>• Determine the Club's strategy and risk appetite, based on an understanding of the strategic challenges and related risks facing the Club.</li> </ul>
Club Board's Group Audit & Risk Committee (Group Audit & Risk Committee or GARC)	<ul style="list-style-type: none"> <li>• Review the scope and effectiveness of RM;</li> <li>• Promote a risk aware culture;</li> <li>• Propose risk appetite and tolerances. Monitor actual risk against agreed thresholds and benchmarks, note exceptions and corrective actions proposed by Managers and Internal Auditor;</li> <li>• Monitor emerging risks;</li> <li>• Report on breaches or changes in methodology to Club's Board;</li> <li>• Note corrective actions proposed by External and Internal Auditors.</li> </ul>
Head of Risk and Chief Actuary & Risk Analyst	<ul style="list-style-type: none"> <li>• Lead the RM policy and chair the Manager's Risk Committee;</li> <li>• Implement and operate the RM process for the identification, assessment, management, reporting and monitoring of risks, including the cascading of risk tolerances and identification of other relevant benchmarks;</li> <li>• Embed the RM process into the Club and its decision making process;</li> <li>• Monitor actual risk against tolerances, report to the Risk Committee and Group Audit &amp; Risk Committee on breaches;</li> <li>• Collect views and intelligence on emerging risks; assess emerging risks.</li> </ul>
Managers' Risk Committee (Head of Risk and Chief Actuary, Risk Analyst, Underwriting Director, CEO, Claims Director, CFO, and General Manager)	<ul style="list-style-type: none"> <li>• Update, propose to the Group Audit &amp; Risk Committee and oversee implementation of the RM policy and framework;</li> <li>• Review risk areas and risk exposure, monitor progress and report breaches against tolerances and limits;</li> <li>• Review the Risk Events Log and breaches of risk appetite;</li> <li>• Identify and assess emerging risks.</li> </ul>
Internal Auditor	<ul style="list-style-type: none"> <li>• Conduct independent reviews, follow-up progress plans and present findings to the Group Audit &amp; Risk Committee;</li> <li>• Report to the Group Audit &amp; Risk Committee;</li> <li>• Report on emerging risks.</li> </ul>

## Risk Register

The Managers' Risk Committee has identified and assessed several risks relating to the Club's business and operating environment. These risks have been formalised in a Risk Register, which is regularly reviewed by the Risk Committee, by the Group Audit & Risk Committee and by the Club's Board. Additionally, any significant change to the Risk Register must be approved by the Group Audit & Risk Committee and subsequently the Club's Board.

The Risk Register identifies and includes the following topics:

- A description of each risk and business area impacted.
- The Risk Owner responsible for monitoring and managing a risk area.
- "Gross (inherent) risk rating": inherent probability and potential impact or severity of a risk.
- Controls mitigating cause, probability and severity of each risk, and Control Owner (who can be different from the Risk Owner).
- "Net (residual) risk rating": level of risk, after mitigating controls in place.

- “Target net risk rating”: desired level of net (residual) risk.

The Risk Register, developed in accordance with the RM framework, is formally reviewed at least annually by Risk Owners and quarterly by the Managers’ Risk Committee. A self-assessment of effectiveness and implementation of controls is also performed annually, or every time a new control is introduced.

Relevant information to assess risks and mitigation processes may include the findings of the Internal Auditor’s reports as well as risk events that have arisen in the course of the business, within the Club or within the industry. The Managers’ Risk Committee maintains a Risk Events Log, which records occurrences that actually or potentially affect the business. Alongside this information are details of the actions identified to remedy the matter in the short and longer term.

The Club’s risks have been assessed in terms of their impact and probability, on both an inherent and residual (i.e., after mitigation) risk basis. The combination of potential impact and estimated frequency of occurrence on a 1-year horizon provides the gross assessment of each risk or category of risk. After accounting for mitigating controls, the gross risk position translates into a net risk position whose impact and/or frequency is normally lower and close to the desired level of exposure.

In addition, the Club monitors emerging risks on an on-going basis to assess these in terms of both their potential timing and likely impact on the Club’s business.

The Solvency Capital Requirement (SCR) calculated under Solvency II is another significant component of the RM framework. It is based on the Standard Formula which relies on different risk modules. The volatility of each of these risk modules determines the amount of capital to be held by the Club to maintain an appropriate immediate and prospective solvency position. The volatility of each risk module (e.g. Underwriting Risk) has been determined by assessing the historic volatility across a wide range of European insurers.

### **Own Risk & Solvency Assessment (“ORSA”)**

The Board of the Club has approved an Own Risk & Solvency Assessment (ORSA) policy.

ORSA is an integral part of the Business Planning and Risk Management processes of the Club. As such ORSA has become a critical internal tool for the Club and its Board to:

- Assess the Club’s overall risk appetite against both capital strength and strategic objectives;
- Assess key decisions and allocate available capital accordingly;
- Ensure that the future capital position of the Club does not deteriorate beyond risk tolerance.
- Identify remediations in case of a stress scenario and significant deterioration of the solvency position.

The ORSA is prepared by the General Manager and senior management of Services and approved by the Club’s Board which has ultimate responsibility for its completion. It is updated annually or anytime a material change in the market or the business of the Club occurs.

With reference to **Guideline 4** of the **EIOPA Guidelines on Reporting & Public Disclosure**, the Club does not use an internal model, even partial, for calculating its Solvency II capital requirements.

### **Compliance Function**

The Compliance Function as second line of defence is performed in accordance with Article 46(2) of the Solvency II Directive 2009/138 and Article 270 of the Delegated Regulation 2015/35, and with relevant international regulations or advisories on key matters such as commercial and financial sanctions.



The role of Compliance is to protect the Club, its Members, its employees and other stakeholders by ensuring and fostering a culture of adherence to regulatory requirements through training, policies and procedures as well as relevant reporting.

The owner of the Compliance Function is the Club's General Manager. He is supported by a Compliance Manager operating across the jurisdictions in which the Club operates.

A Compliance Risk Assessment and a Compliance Plan are reviewed and approved by the Group Audit & Risk Committee annually. A Compliance Register is maintained by the Compliance Manager to record incidents or potential issues and to follow-up actions taken. A Compliance Dashboard is reviewed monthly by the Management Board and by the Group Audit & Risk Committee at every meeting.

More than ever, sanctions continue to be considered by the Managers and the Board as the highest Compliance risk in the P&I and shipping industries. Specific procedures, tools and training have been designed and implemented to mitigate this risk as much as possible.

## **B.4 Internal Control System**

There is a robust internal control system in place within the Club, formalised in the Club's procedures and policies. These procedures and policies are regularly reviewed and are available to the staff on the Club's intranet.

The management structure in place guarantees a robust review process (four eyes principle), which is challenged both by internal and external auditors.

The three lines of defence approach to risk management, explained in sections B.3. and B.5., is an integral part of the Club's internal control environment.

## **B.5 Internal Audit**

The Internal Audit Function acts as the third line of defence.

Every year the Club performs an Internal Audit Plan in accordance with its terms of reference. The Internal Audit Plan is reviewed and approved by the Club's Group Audit & Risk Committee.

Follow up from previous internal audits is also reviewed by the Group Audit & Risk Committee at each meeting.

The Internal Audit Function is outsourced to an Accounting and Advisory Firm, BDO who have extensive experience in working with IG clubs and the wider insurance market for both internal and external audits and consultancy. BDO reports directly to the Chair of the Group Audit & Risk Committee.

## **B.6 Actuarial Function**

The Actuarial Function is part of the second line of defence.

The owner of the Actuarial Function is the Club's Head of Risk and Chief Actuary, who reports to the Chief Financial Officer. The Head of Risk and Chief Actuary is a Fellow of the Institute and Faculty of Actuaries. The internal actuarial team includes another qualified actuary as the Head of Reserving. The robustness of the Actuarial Function is ensured both through rigorous internal processes and comparisons with independent projections provided by an external consulting firm.

The Actuarial Function is responsible for coordination and review of the Club’s technical provisions, providing an opinion on underwriting policy, reinsurance policy and contributing to the risk management system. An Actuarial Function Report on these matters is provided to the Group Audit and Risk Committee on an annual basis.

## B.7 Outsourcing

The Club relies on several service providers. For that purpose, the Club has issued an Outsourcing Policy to ensure outsourcing risks are properly managed and that the level of services is in line with required standards.

There is a senior manager or a key function holder responsible for each outsourced service.

Some of these outsourced services fall within the scope of the Solvency II Directive:

Service	Provider	Geography	Scope
Intra-Group Outsourcing	West of England Insurance Services (Luxembourg) S.A.	Luxembourg UK Hong Kong Singapore Greece United States of America	Day-to-day management of the Club outsourced to the Services Company
Internal Audit	BDO	Luxembourg UK Hong Kong Singapore Greece	Internal audit
Investments	Brown Brothers Harriman	Luxembourg	Investment accounting and compliance
Investments	PIMCO Colchester AXA IM	USA UK USA	Bond portfolios managers (segregated accounts)
IT Development	Spark! Data Systems	UK	Application development, maintenance and support

## B.8 Any Other Information

There is no other significant governance information to be disclosed.

# Risk Profile

Risk assessment and risk mitigation are at the core of P&I insurance business. Risk exposure is mitigated through appropriate processes and controls, stress testing as well as capital buffers.

All risks relevant to the Club's business and its operations are assessed and reviewed within the ORSA process.

## C.1 Underwriting Risk

The Club's underwriting objective is to charge premiums that reflect the risks it insures and the strategic objective to maintain a Combined Ratio lower than 100% on a three-year rolling basis. The principal risk for any insurer is that the frequency and value of insured losses exceed expectations.

The Board sets an Underwriting strategy which determines how the Club accepts and manages new and renewing insured risks. This strategy ensures that insured risks are diversified, for example by vessel type and geographical area, to ensure a sufficiently large and diverse population to reduce the variability of the expected outcome of insured losses.

Diversification of underwriting across categories of vessels and regions is evidenced in the next two tables:

Bulkers	Tankers (inc. LPG / LNG)	Containerships	MPV / General Cargo	Passenger	Specialist Vessels & Misc.
42%	38%	7%	10%	1%	2%

Asia	Middle East / Africa	Americas	Greece	Other Europe
47%	9%	3%	21%	20%

Underwriting risk is considered both at individual fleet level and from a portfolio management perspective, where insured risks are assessed in the light of historical experience and future exposure. To assist the process of pricing and managing underwriting risk the Managers routinely perform a range of activities including:

- Documenting, monitoring and reporting on the Club's strategy to manage risk;
- Monitoring legal developments and amending the terms of entry when necessary;
- Reviewing market and financial conditions of the industry;
- Using underwriting tools to assist in the assessment and pricing of risk.

The Club's insurance contracts include terms that operate to contain losses, such as deductibles being matched to the risk profile.

Reinsurance significantly mitigates the risk of exposure to large individual claims, both at the Club's retention level and at the International Group level through the IG Pooling Agreement whereby for policy year 2023 individual claims above USD 10 million are pooled among the 12 clubs up to USD 100 million and reinsured outside the Pool above USD 100 million.

Premiums earned net of reinsurance cost are as follows:

Entity	Gross Premium Earned (USD '000)	Net Premium Earned (USD '000)
Club Consolidated (Market value basis)	293,170	244,683
Club Consolidated (Statutory)	293,170	244,683
Club Solo	293,170	86,257
ISRe	117,683	117,683

With specific reference to Guideline 5 of the EIOPA Guidelines on Reporting & Public Disclosure the Club does not use Special Purpose Vehicles to transfer risk to investors.

## C.2 Market Risk

Market or Investment Risk is the risk of an unexpected loss or a significant deviation from the forecast investment return resulting from a material change in the valuation of equity and/or bond markets, and which would materially affect the Club's capital position. Investment risk also includes the negative effects of potential mismatches between assets and technical liabilities.

The Club follows the Prudent Person Principle and has a conservative approach to its financial investments.

The Club's investments are controlled by its Investment Policy and Investment Managers' Guidelines, including minimum credit ratings. The policy and guidelines are regularly reviewed and approved by the Board of the Club.

The risk tolerance appetite, calibrated primarily through financial stress scenarios, is also approved by the Club's Board on advice from the Board of ISRe acting as an Investment Committee. In addition to the risk tolerance, diversification across markets and securities is also a key risk mitigator.

An Investment Advisory Committee comprising qualified independent Directors and internal staff, including the General Manager and CFO, meets regularly to review the portfolio and markets and to make sure investment risk remains within tolerance.

A review of performance and portfolio risk is performed by the investment team at least weekly and reported to the managers. The Board of ISRe and the Board of the Club review the risk, investment return and structure of the portfolio at every meeting.

The portfolio is structured in three sub-portfolios, each of them with specific objectives:

### Contingency Cash portfolio

This portfolio represents the Club's cash liquidities necessary to the day-to-day business operations, including a liquidity buffer set in the Club's "Risk and Appetite Indicators". In addition, this portfolio includes cash collateral provided to third parties as part of the Club's operations.

### Liability-Matching portfolio

The objective of this portfolio is to guarantee the timely payment of claims, and to provide an additional return in excess of the liability proxy benchmark (or risk-free asset) by having a moderate credit and duration exposure.

## **Growth portfolio**

This portfolio is invested in financial assets being held to generate an excess return, but not for liquidity or liability matching purpose. This portfolio represents the main part of the Club's Free Reserves. It is invested in a diversified way in liquid and illiquid assets (e.g., real estate, infrastructures, private debt) across markets according to the Prudent Person Principle. The Growth portfolio is the main driver for increasing or decreasing the risk/return profile of the overall Investment portfolio.

The Club has a limited exposure to Equity markets of some 10% of the investment portfolio, held in the Growth portfolio. Cash and Fixed Income are managed cautiously and most of the Bond portfolio aims at replicating the cash flow features of technical liabilities. Diversification across asset classes, regions and securities is an important feature of the Club's investment philosophy and a natural way to mitigate market risks in the medium term.

All equities and bonds are held by a global custodian whose role is also to reconcile cash and security positions with the investment managers, to control the compliance with the Investment Managers' Guidelines and to produce valuation and accounting reports.

At least once a year, management meets with the external investment managers individually as part of the on-going due-diligence process.

## **Property Risk**

The risk of financial loss as the result of owning a property investment arises mainly from changes in valuation, but also from potential loss of rental income, legal / technical issues, and from potential "fire sales" due to the inherent illiquidity of such assets.

At 20 February 2023, the Club wholly owns a residential property in Hong Kong and is invested in Real Estate and Infrastructure investment funds within its Growth portfolio.

Property risks are mitigated by applying a cautious valuation policy, and by investing in Core strategies through commingled investment vehicles providing a solid diversification across geographical areas and segments of the Real Estate market.

The underlying currency risk of holding properties investments is fully integrated in the Club's currency management process (please refer to the next section).

## **Currency Risk**

Currency risk is the risk that the underlying currencies of the Club's investments and other assets do not match those of the Club's total liabilities. Whilst the Club's technical liabilities arise in many different currencies, they are recorded and estimated in both the underlying currency and a USD equivalent. The individual claims estimates are reviewed to reflect currency movements in accordance with a timetable prescribed by the Club's managers and periodically management recalculate the overall position. Analysis of the overall liabilities by currency forms the basis of the investment currency ranges specified in the Investment Policy. In addition, the Board assesses the currency risk relating to the excess / shortage of non-USD assets (whether investments or not) held compared to the Club's technical and other liabilities. The Board regularly monitors the overall currency exposure in the balance sheet and ISRe management has authority to enter into forward currency contracts in order to adjust the position within the prescribed ranges.

The Club maintains a benchmark currency profile for investments which approximates to the currency exposure within its claims liabilities so that currency movements are effectively hedged. Despite the difficulty in determining currency exposure accurately, by monitoring historical payment patterns and recording the currency exposure within case estimates, it is possible to determine a measure of the risk and therefore the effectiveness of the currency hedge.

### C.3 Credit Risk

The Club has exposure to counterparty default risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

Key areas of exposure to counterparty risk include:

- Counterparty credit with respect to cash and cash equivalents, and investments (including deposits and derivative transactions);
- Reinsurers' share of insurance liabilities and amounts due from reinsurers in respect of claims already paid, including amounts due from other Group Clubs through the IG Pool;
- Amounts due from Members.

The Club manages the counterparty risk by placing and regularly reviewing limits on its exposure to third parties within the overall risk tolerance framework. The creditworthiness of reinsurers is reviewed before placements are made and monitored regularly thereafter. This includes IG processes to ensure the appropriateness of reinsurers on the IG excess loss programme. Controls exist within the IG to maintain the strength of the IG Pool; the Pool itself mitigates the risk of large claims and the structure of Hydra protects each Club from the risk of the default by one of the other Clubs.

There is no significant concentration of credit risk related to receivables as the Club has a large number of internationally dispersed ship owner and charterer Members. No single Member is sufficiently material to represent a high-risk credit exposure. The Club's Rules provide significant contractual rights to safeguard the Club's position and reduce its exposure to the consequences of default or partial payment.

Full provision is made for balances considered to be doubtful. This applies to reinsurance and insurance counterparties, intermediaries, Members, and banks.

Exposure by category of recoverables as of 20 February 2023 was (all figures expressed in USD '000):

Type of Counterparty	Club Consolidated (Market Value basis)	Club Consolidated (Lux GAAP)	Club Solo (Lux GAAP)	ISRe (Lux GAAP)
Reinsurance Recoverables	163,543	163,543 (1)	604,998 (1)	-
Reinsurance Debtors	10,508	10,508	10,493	35,790
Membership Recoverables	48,650	48,650	48,650	-
Other Debtors	2,500	2,500	4,204	422
Banks	107,582	107,582	90,354	9,788

(1) Net of subrogation and salvages.

## C.4 Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when due, at reasonable cost. The Club is exposed to daily calls on its available cash resources, mainly from claims arising from its insurance operations including its participation in the IG Pool.

Within its risk framework the Board has set limits on the minimum level of cash and liquid funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover unexpected levels of claims and other cash demands. Also, proper cashflow matching between fixed income holdings and technical liabilities is always maintained.

In addition to the cash and liquid funds, a significant proportion of the Club's investments are maintained in highly liquid assets which may be converted to cash at little notice or transaction cost or market impact.

## C.5 Operational Risk

Operational risks exist in the natural course of business activity like the risks of loss resulting from inappropriate internal processes, people and systems, or from external events.

Operational risk is a category of risk which is assessed by the Club to be not rewarded. As such, the Club has a low risk appetite for operational risk and seeks to avoid failures which may result in business disruption, financial loss or regulatory sanctions. The Club has systems and processes in place to identify and monitor operational risk and to ensure exposure is mitigated to an appropriately low level (please reference section B.3 Risk Management System of this report).

Key operational risks also include business continuity and disaster recovery plan, regulatory and compliance complexity, and cyber risk, all of which may hinder the Club's ability to operate effectively.

There has been limited impact on the operations of the Club from the Covid-19 pandemic. Staff have been able to work from home with no disruption immediately when the lockdowns started, demonstrating the resilience of the Club's business continuity plan.

### Cyber Risk

Cyber risk is an area under ever-increasing scrutiny following high-profile attacks and data losses worldwide, and large-scale shifts towards remote work and virtual collaboration. The growing capabilities of cyber-criminals, the sophistication of nation-state affiliated threat actors together with the global dependence on electronic commerce, communications, and data storage, are leading to a higher risk of data theft, malicious data interference and service disruption.

#### **Potential damages for the Club resulting from a cyber-attack could be:**

- Brand damage: declining business partner confidence and harm to reputation;
- Disruption to critical infrastructure and damage to service provision to clients;
- Theft of funds, data and corporate intellectual property;
- Cost of responding to a breach: clean-up, legal fees, potential lawsuits, forensics and potential fines.

While the Club is not individually viewed as a compelling target for a direct cyber-attack, there is for example a risk of suffering attacks as a member of the global financial services industry. Also with the more visible/targeted global organisations tightening cyber security protocols, criminals are starting to target less obvious/visible organisations especially those with easy access points/low cyber security protocols.

In order to mitigate this risk, the Club has invested in cyber security technologies and has developed processes and practices designed to secure networks, computers, programs and data from attack, damage or unauthorised access. It includes application security, information and data security, network security, infrastructure resilience, business continuity planning and user education.

Through these controls and protective measures, together with a fully documented and robustly tested business recovery plan, the Club has established an effective IT security control environment which is regularly checked by audit and independent external IT security experts.

## C.6 Other Material Risk

### Reserving Risk

This is the risk of claims reserves in the balance sheet being understated, i.e. the reserves are insufficient to meet the cost of outstanding claims. The risk arises due to the inherent uncertainty in the ultimate cost, frequency and timing of liabilities incurred, including the provision made for claims that have not so far been notified (incurred but not reported claims).

Members are insured on a loss occurring basis. Review and reporting controls operate so that estimates are established early and maintained to reflect the Club's current best estimate of the likely outcome for each claim. The Club has established clear and stringent estimating guidelines backed by a programme of consistent training to ensure they are applied uniformly. To determine the overall level of reserves held, the Club takes advice from both the internal actuaries and external actuaries who use established statistical techniques and apply knowledge, experience, and judgement to estimate the most likely overall outcome of liabilities. In this way appropriate reserves are determined to meet claims as they fall due.

Claims developments are monitored monthly and reported to the Services Board as part of the overall risk reporting framework.

At 20 February 2023, the reserves booked in the accounts were (all figures expressed in USD '000):

Group Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis (1)	Lux GAAP (2)	Solvency II	Lux GAAP (2)	Solvency II	Lux GAAP (3)
Gross Technical Provisions	573,864	738,053	738,053	553,856	738,053	236,905	364,127
Best Estimate	534,712	n/a	n/a	533,101	n/a	217,451	n/a
Risk Margin	39,152	n/a	n/a	20,755	n/a	19,454	n/a
Net Technical Provisions	474,701	574,510	574,510	127,828	133,055	236,905	364,127

- (1) Group liabilities on a Market Value and Lux GAAP basis are identical.
- (2) Lux GAAP technical provisions are net of subrogation and salvages.
- (3) ISRe Lux GAAP technical provisions include its equalisation provision.

## C.7 Any Other Information

There is no other significant risk information to be disclosed.



# Valuation for Solvency Purposes

In accordance with article 75 of Solvency II Directive 2009/138 and with article 9 of Delegated Regulation 2015/35, assets are valued for solvency purposes at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction, and liabilities are valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.

Where this methodology differs from the valuation policies used in the Club's financial statements, a specific provision is made in the following section.

The Club's consolidated Solvency II balance sheet has been prepared in accordance with Method 1 (Accounting consolidation-based method) of article 230 of the Solvency II Directive 2009/138.

## D.1 Assets

At 20 February 2023 (in USD '000):

Assets	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis	Lux GAAP	Solvency II	Lux GAAP	Solvency II	Lux GAAP
Goodwill	-	2,780	2,780	-	-	-	-
Pension benefit surplus	2,031	-	-	4,410	-	-	-
Property, plant and equipment (1)	8,196	1,187	1,187	6,623	-	-	-
Investments (2)	684,671	684,675	655,800	313,369	185,937	361,168	347,298
Reinsurance Recoverables (3)	99,163	163,543	163,543	426,028	604,998	-	-
Insurance Receivables	19,091	48,650	48,650	19,091	48,650	-	-
Reinsurance Receivables	10,508	10,508	10,508	10,493	10,493	-	35,790
Other Receivables (4)	2,240	2,235	2,235	4,149	4,149	249	249
Cash	107,582	107,582	107,582	90,354	90,354	9,788	9,788
Deferred Acquisition costs	-	1,531	1,531	-	1,531	-	-
Other Assets	1,076	1,077	1,077	120	120	6	-
Total	934,558	1,023,768	994,893	874,637	946,232	371,211	393,125

- (1) Excludes properties not held for own use which are reported under investments.
- (2) Includes interest accrued on Fixed Income securities, loans, and unrealised gains on derivatives.
- (3) Net of subrogation and salvages.
- (4) Excludes unrealised gains on derivatives.

## Pension Benefit Surplus

The pension benefit surplus has been valued by an independent actuary in accordance with IAS 19 which requires that the assets of the scheme are valued on a fair value basis and the liabilities of the scheme are recognised when the entity derives the benefit from the employees' service. The principal assumptions underlying the valuations above were:

- Discount rate 4.70%
- RPI inflation assumption 3.3%
- CPI inflation assumption (pre-2030) 2.3%
- CPI inflation assumption (from 2030 onward) 3.2%
- Limited price indexation pension increases 3.1%

The pension benefit surplus is not included in the Club's balance sheet in the financial statements as it is not required under Luxembourg GAAP ("Lux GAAP"). Due to its lack of fungibility, the value of the pension benefit surplus included in the Club's Solvency II balance sheet is capped at an amount equal to the contribution of the pension scheme assets and liabilities to the Club's solvency capital requirement ("SCR").

## Leasing Arrangements

The Club occupies offices in several locations, under various operating lease agreements. These agreements have been entered into by several of the Club's subsidiaries.

Under IFRS 16, the present value of the operating lease agreements have been recognised in the Group Solvency II balance sheet, under "Property, plant & equipment held for own use" for the right to occupy office spaces, and under "Payables" for the related future payment obligation. There is no such recognition under Lux GAAP. Operational leases are measured at the present value of the future non-cancellable payments obligations resulting from the lease agreements.

## Investments

Equities and bonds valuation (including investment funds) rely on market prices (including accrued interests when applicable) provided daily by the Club's administrative agent and financial data providers. Investments in collective investment undertakings rely on net asset values provided by financial data vendors, fund promoters, or fund administrative agents.

This valuation methodology is consistent with the Club's published accounts which are prepared on a market value basis but differs from its Luxembourg GAAP accounts where financial investments are valued at the lower of cost (historic for equities and collective investments undertakings, amortised for fixed income) or market value.

Property is stated at estimated market value, based on an annual valuation by an independent valuer. Likewise, this valuation methodology is consistent with the Club's published accounts which are prepared on a market value basis but differs from its Luxembourg GAAP accounts where property is stated at the lower of amortised historic cost or estimated market value. Under Luxembourg GAAP properties are amortised on a straight-line basis such that they are written down to their residual values over their useful economic lives.

Holdings in related undertakings are valued at their estimated market value. Depending on the local GAAP of related undertakings, the estimated market value is assessed as being the Solvency II excess of assets over liabilities, the local GAAP net equity (if assets and liabilities are valued at market value), or the local GAAP net equity retreated for market value.

Other loans and mortgages are valued at the present value of their future cash flows. Discounting is performed using EIOPA interest rate term structure, excluding volatility adjustment.

## Insurance Recoverables

Amounts recoverable from reinsurance contracts take account of the time difference between recoveries and direct payments. The result from that calculation is adjusted to take account of expected losses due to default of the counterparty. That adjustment is based on an assessment of the probability of default of the counterparty and the average loss resulting therefrom (loss-given-default).

## Insurance, Reinsurance Receivables & Other Receivables / Other Assets

Receivables and other assets are valued at their recoverable value. Full provision is made for balances considered to be doubtful. Lux GAAP Insurance Receivables which are not due at the reporting date are reclassified into the future premium cash-flows in the Solvency II Claims Provisions (as explained in section D.2).

## Deferred Acquisition Costs

Deferred Acquisition Costs, representing acquisition cashflows already paid but related to unearned premium, are recognised as an asset under Lux GAAP but are not allowable under Solvency II.

## Goodwill

Under Solvency II, insurance undertakings shall value goodwill at zero. Under Lux GAAP, the Club recognise goodwill at initial cost and amortise it on a straight-line basis at a rate of 20% per year commencing from the first full year after the acquisition.

## D.2 Technical Provisions

At 20 February 2023 (in USD '000):

Group Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis (1)	Lux GAAP (2)	Solvency II	Lux GAAP (2)	Solvency II	Lux GAAP (3)
Technical Provisions	573,864	738,053	738,053	553,856	738,053	236,905	364,127
Best Estimate	534,711	n/a	n/a	533,100	n/a	217,451	n/a
Risk Margin	39,152	n/a	n/a	20,755	n/a	19,454	n/a

(1) Group liabilities on a Market Value and Lux GAAP basis are identical.

(2) Lux GAAP technical provisions are net of subrogation and salvages.

(3) ISRe Lux GAAP technical provisions include its equalisation provision.

The Solvency II technical provisions are equal to the sum of the Best Estimate and Risk Margin.

The Best Estimate corresponds to the probability-weighted average of future cash-flows, taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure (specified by EIOPA, with no use of the volatility adjustment). The cash-flow projection used in the calculation of the Best Estimate takes account of all the cash in- and out-flows required to settle the insurance and reinsurance obligations over the lifetime thereof. This includes all expenses that will be incurred in servicing insurance and reinsurance obligations, and all payments to policy holders and beneficiaries which the Club expects to make. The Best Estimate is calculated gross, with the amounts recoverable from reinsurance contracts projected separately.

The Risk Margin is such as to ensure that the value of the technical provisions is equivalent to the amount that insurance undertakings would be expected to require in order to take over and meet the corresponding insurance obligations. The Risk Margin is calculated by determining the cost of providing an amount of eligible

own funds equal to the Solvency Capital Requirement necessary to support the insurance obligations over the lifetime thereof. For that purpose, the Club used the 6% capital cost as prescribed by EIOPA.

## Claims Provisions

The best estimate claims provisions are calculated using standard actuarial techniques. The claims projection is performed on separate homogenous groups, with Members' attritional claims, Members' large claims and the Club's share of other clubs' pool claims all projected separately. Members' large claims (net of pool) are projected individually with the relevant club reinsurance programmes applied. The claims provision includes an explicit provision for future claims handling expenses.

## Premium Provisions

The Club writes the vast majority of its business on an annual basis from noon GMT, 20th February to 20th February each year, however there is a small amount of unearned business written on a 'cross-policy year' basis, i.e. incepting before the 20th of February. At the 20th February the majority of the next year's premium is bound but not incepted, as a result premium provision for the bound but not incepted business and small amount of unearned premium is held. The premium provision is the net expected claims and expense cost for unearned bound business less the net future premium.

## Difference between Solvency II and Luxembourg GAAP

The valuation rules for the technical provisions under Solvency II differ from those under Luxembourg GAAP. The value of technical provisions, under Solvency II, is equal to the sum of the best estimate and the risk margin. The best estimate is based on discounted cash flows. Under Luxembourg GAAP reserves are calculated on an undiscounted basis and there is no requirement for them to be held on a best estimate basis, as a result the Luxembourg GAAP reserves include an element of prudence in line with the risk appetite set by the Club's Board (but no explicit risk margin). There is also no premium provision held for bound but not incepted business under Luxembourg GAAP.

In addition, future premium cash-flows earned within the contract boundaries at the valuation date and which fall due after the valuation date are included in the Solvency II Claims Provisions. Under Luxembourg GAAP, these future premium cash flows are disclosed as Member Debtors and Reinsurance Creditors.

## Material Changes

There have been two material changes to the calculation of technical provisions compared to the prior year. The Solvency II expense calculation has been improved and the counterparty default adjustment is now calculated using the simplified approach set out in Article 61 of EU/2015/35.

## D.3 Other Liabilities

At 20 February 2023 (in USD '000):

Other Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis	Lux GAAP	Solvency II	Lux GAAP	Solvency II	Lux GAAP
Deferred Tax Liabilities	26,264	-	-	-	-	26,264	-
Insurance, Reinsurance & Other Payables	55,510	54,963	54,963	49,279	89,402	1,652	1,654
Total Other Liabilities	81,774	54,963	54,963	49,279	89,402	27,916	1,654

## **Deferred Tax Liabilities**

Deferred tax liabilities represent differences in timing between when the tax is recognised in the Club's financial statements relative to when the tax is effective via the tax law of the various jurisdictions in which the Club operates. Whilst the Club does not recognise any deferred tax in its Luxembourg GAAP accounts, the valuation adjustments for Solvency II purposes leads to accounting for future taxation, primarily on the equalisation provision of the Club's Luxembourg reinsurance captive, ISRe.

Deferred tax liabilities are valued at the current tax rate in the applicable jurisdiction.

## **Reinsurance Payables**

The Lux GAAP Reinsurance Creditors which are not due at the reporting date are reclassified into the future premium cash-flows in the Solvency II Claims Provisions (as explained in section D.2).

## **D.4 Alternative Methods for Valuation**

The Club and its subsidiary ISRe do not make use of alternative methods for valuation.

## **D.5 Any Other Information**

There is no other significant valuation information to be disclosed.

# Capital Management

The Club has a Medium-Term Capital Management Plan to ensure that the group and its subsidiaries will be able to meet their regulatory and internal capital requirements on a 3-year rolling horizon.

The purpose of the Capital Management Plan is to ensure that, on a forward-looking basis, own funds will be sufficient to provide a buffer against adverse scenarios. It is consistent with the Business Planning process which is a projection of the premiums, claims, general expenses and investment return.

The Medium-Term Capital Management Plan of the Club is a key component of its ORSA and is reviewed at least annually by the Board.

## E.1 Own Funds

At 20 February 2023, the Club's own funds and its subsidiary, ISRe's under Solvency II (USD '000) were:

Own Fund Item	Tier	Club Consolidated	Club Solo	ISRe
Ordinary Share Capital	1	-	-	25,000
Reconciliation Reserve	1	275,860	271,502	81,389
Ancillary Own Funds	2	274,292	274,292	85,000
Total		550,152	545,794	191,389
Eligible to cover SCR		385,147	340,451	154,603
Eligible to cover MCR		275,860	271,502	106,389

### E.1.1 Club Consolidated

The Club does not have share capital and does not issue debt. Its Free Reserve is attributable to its Members. The reconciliation reserve mainly consists of profits carried forward since the inception of the Club. It also includes the group pension scheme surplus valued in accordance with section D.1 of this report.

#### Ancillary Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

Ancillary own funds are funds which are contingent in that they have not been paid in, and as such, are not recognised on the balance sheet of the insurance undertaking. If at some undetermined point in the future ancillary own funds are called, then they cease to be contingent and become basic own funds items represented by assets on the balance sheet. One critical feature of ancillary own funds is their loss-absorbency.

Under articles 93 and 94 of Solvency II Directive 2009/138, supplemented by articles COF1, 2, 5 and 6, of the Level 2 Implementing Measures and the Technical Specification for the Preparatory Phase (Part I) document, ancillary own funds include any future charge which mutual or mutual-type Clubs of shipowners with variable contributions may have against their Members by way of an unbudgeted supplementary premium contribution known as a "supplementary call" in the case of this Club.

The Club has the right under its rules to charge supplementary calls to its Members. These calls fall within the definition of ancillary own funds described above.

The total amount of Ancillary Own Funds included within the Club's own funds is based upon the methodology approved by the CAA in July 2020. The amount of Tier 2 capital is equivalent to 115% of the Total Estimated Mutual Call. The extent to which the value of the approved ancillary own funds in relation to

supplementary calls is eligible to meet the Solvency Capital Requirement is however limited by the Tier 2 regulatory threshold which is currently a maximum of 50% of the SCR.

The methodology approved by the CAA remained valid until 20 April 2023 and was thereafter renewed on the same basis.

### **Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)**

Based on article 330 of Delegated Regulation 2015/35, the Club recognise the restriction on part of its own funds held in its reinsurance captive “Hydra Insurance Company Ltd. – The West of England Hydra Cell” which cannot be made available to cover the group Solvency Capital Requirement.

If applicable, the reduction in available capital at group level due to this restriction is reported under QRT S.23.01.04 – R0750.

## **E.1.2 Club Solo**

The Club does not have share capital and does not issue debt. Its Free Reserve is attributable to its Members. The reconciliation reserve mainly corresponds to profits carried forward since the inception of the Club. Although less material, it also includes the surplus of the group pension scheme valued in accordance with section D.1 of this report.

### **Ancillary Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)**

The method used by the Club Solo to determine its amount of eligible Tier 2 capital is the same as that described for the Club on a consolidated basis and is equivalent to 115% of the Total Estimated Mutual Call. The cap, which is set at 50% of the SCR, explains the difference with the amount of ancillary own funds eligible to cover the SCR at the consolidated level.

### **Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)**

There are no non-available own funds to report.

## **E.1.3 ISRe**

ISRe’s Tier 1 capital is composed by its share capital issued, fully held by the Club, and by its reconciliation reserve which corresponds to profits carried forward.

### **Ancillary Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)**

The total amount of Ancillary Own Funds included within ISRe’s own funds is based upon a methodology approved by the CAA in May 2021. ISRe and the Association entered into a Guarantee Agreement in April 2021 whereby the Association (ISRe’s sole shareholder) undertakes to pay any capital increase requested by ISRe up to a maximum amount of USD 85 million. In accordance with articles 25 and 26 of the CAA Règlement 15/03, this amount of USD 85 million is recognised as Ancillary Own Funds. The extent to which the value of the approved ancillary own funds in relation to this guarantee agreement is eligible to meet the Solvency Capital Requirement is limited by the Tier 2 regulatory threshold which is currently a maximum of 50% of the SCR.

The methodology approved by the CAA remain valid until 20 February 2026.

### **Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)**

There are no non-available own funds to report.

## E.1.4 Reconciliation Between Free Reserve Per Financial Statements and Solvency II Excess of Assets Over Liabilities

At 20 February 2023 the reconciliation between Free Reserves in the financial statements and Solvency II Excess of Capital over Liabilities is (USD '000):

Own Fund Item	Club Consolidated	Club Solo	ISRe
Financial Statements Free Reserves	201,877	118,777	27,344
Change in valuation in:			
• Goodwill	(2,780)	-	-
• Deferred Acquisition Costs	(1,531)	(1,531)	-
• Pension benefit Surplus / Deficit	2,031	4,410	-
• Property, plant & equipment held for own use	7,009	6,623	-
• Investments	28,876	127,431	13,877
• Reinsurance Recoverables (1)	(64,380)	(178,970)	-
• Insurance / Reinsurance Receivables	(29,559)	(29,559)	(35,790)
• Technical Provisions (1)	164,188	184,197	127,222
• Deferred Tax Liabilities	(26,264)	-	(26,264)
• Reinsurance Payables	6,461	46,746	-
• Payables	(7,008)	(6,622)	-
Solvency II Excess of Assets over Liabilities	278,920	271,502	106,389

(1) Net of subrogation and salvages and including Lux GAAP equalisation provision for ISRe

## E.2 Solvency Capital Requirement and Minimum Capital Requirement

The SCRs of the Club (consolidated and solo) and ISRe are based on the Solvency II standard formula and do not make use of simplified calculations nor duration-based equity risk assessment.

The Club has always complied with all solvency regulatory requirements during the period under review.

The breakdown of the Club's capital requirement is shown in the following table (USD' 000):

Item	Club Consolidated	Club Solo	ISRe
Market Risk	68,677	61,835	39,657
Counterparty Default Risk	14,745	47,438	7,767
Underwriting Non-Life Risk	193,426	54,927	95,281
Basic SCR	228,797	121,907	116,168
Operational Risk	16,041	15,993	6,524
Adjustment for Deferred Tax	(26,264)	-	(26,264)
SCR	218,574	137,900	96,427
Eligible Own Funds to cover SCR	385,147	340,451	154,603
Solvency ratio	176%	247%	160%



Minimum Capital Requirement	90,486	34,475	38,873
Eligible Own Funds to cover MCR	275,860	271,502	106,389
Minimum Solvency ratio	305%	788%	274%

### **Impact of Transitional Measures**

The Club (both on a consolidated and solo basis) and ISRe are not making use of transitional measures.

### **E.3 Use of The Duration-Based Equity Risk Sub-Module in The Calculation of The Solvency Capital Requirement**

The Club and its subsidiary ISRe did 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 Any Internal Model Used**

The Club and its subsidiary ISRe only use the Standard Formula when calculating their Solvency Capital Requirements.

### **E.5 Non-Compliance with The Minimum Capital Requirement and Non-Compliance with The Solvency Capital Requirement**

The Club (both on a consolidated and solo basis) and ISRe have always complied during the year with their respective Minimum Capital Requirements and their Solvency Capital Requirements.

\* \* \* \*

# Appendix: Quantitative Disclosures (QRTs)

- Association Consolidated
- Association Solo
- ISRe

## Association Consolidated

### Basic Information - General

Participating undertaking name	The West of England Ship Owners Mutual Insurance Association (Luxembourg)
Group identification code	LEI/DEOK59KJJZVF5N12D351
Country of the group supervisor*	LU
Sub-group information	1
Language of reporting*	en
Reporting reference date	20/02/2023
Currency used for reporting*	USD
Accounting standards*	Lux GAAP
Method of Calculation of the group SCR	Standard Formula
Method of group solvency calculation	Method 1
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

### Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.23.01.22	Own Funds
S.25.01.22	Solvency Capital Requirement - for groups on Standard Formula
S.32.01.22	Undertakings in the scope of the group

## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value	
		C0010	
<b>Assets</b>			
Intangible assets	R0030	-	
Deferred tax assets	R0040	-	
Pension benefit surplus	R0050	2,031	
Property, plant & equipment held for own use	R0060	8,196	
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	683,584	
Property (other than for own use)	R0080	10,709	
Holdings in related undertakings, including participations	R0090	1,405	
Equities	R0100	20	
Equities - listed	R0110	-	
Equities - unlisted	R0120	20	
Bonds	R0130	546,109	
Government Bonds	R0140	360,739	
Corporate Bonds	R0150	185,369	
Structured notes	R0160	-	
Collateralised securities	R0170	-	
Collective Investments Undertakings	R0180	125,081	
Derivatives	R0190	261	
Deposits other than cash equivalents	R0200	-	
Other investments	R0210	-	
Assets held for index-linked and unit-linked contracts	R0220	-	
Loans and mortgages	R0230	1,087	
Loans on policies	R0240	-	
Loans and mortgages to individuals	R0250	-	
Other loans and mortgages	R0260	1,087	
Reinsurance recoverables from:	R0270	99,163	
Non-life and health similar to non-life	R0280	99,163	
Non-life excluding health	R0290	99,163	
Health similar to non-life	R0300	-	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-	
Health similar to life	R0320	-	
Life excluding health and index-linked and unit-linked	R0330	-	
Life index-linked and unit-linked	R0340	-	
Deposits to cedants	R0350	-	
Insurance and intermediaries receivables	R0360	19,091	
Reinsurance receivables	R0370	10,508	
Receivables (trade, not insurance)	R0380	2,240	
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	107,582	
Any other assets, not elsewhere shown	R0420	1,076	
<b>Total assets</b>	<b>R0500</b>	<b>934,558</b>	

## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value	
		C0010	
<b>Liabilities</b>			
Technical provisions – non-life	R0510		573,864
<i>Technical provisions – non-life (excluding health)</i>	R0520		573,864
<i>Technical provisions calculated as a whole</i>	R0530		-
<i>Best Estimate</i>	R0540		534,711
<i>Risk margin</i>	R0550		39,152
<i>Technical provisions - health (similar to non-life)</i>	R0560		-
<i>Technical provisions calculated as a whole</i>	R0570		-
<i>Best Estimate</i>	R0580		-
<i>Risk margin</i>	R0590		-
Technical provisions - life (excluding index-linked and unit-linked)	R0600		-
<i>Technical provisions – health (similar to life)</i>	R0610		-
<i>Technical provisions calculated as a whole</i>	R0620		-
<i>Best Estimate</i>	R0630		-
<i>Risk margin</i>	R0640		-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650		-
<i>Technical provisions calculated as a whole</i>	R0660		-
<i>Best Estimate</i>	R0670		-
<i>Risk margin</i>	R0680		-
Technical provisions – index-linked and unit-linked	R0690		-
<i>Technical provisions calculated as a whole</i>	R0700		-
<i>Best Estimate</i>	R0710		-
<i>Risk margin</i>	R0720		-
Other technical provisions	R0730		-
Contingent liabilities	R0740		-
Provisions other than technical provisions	R0750		-
Pension benefit obligations	R0760		-
Deposits from reinsurers	R0770		-
Deferred tax liabilities	R0780		26,264
Derivatives	R0790		327
Debts owed to credit institutions	R0800		-
Financial liabilities other than debts owed to credit institutions	R0810		-
Insurance & intermediaries payables	R0820		34,632
Reinsurance payables	R0830		-
Payables (trade, not insurance)	R0840		20,552
Subordinated liabilities	R0850		-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860		-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870		-
Any other liabilities, not elsewhere shown	R0880		-
<b>Total liabilities</b>	R0900		655,638
<b>Excess of assets over liabilities</b>	R1000		278,920

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
<b>Premiums written</b>													
Gross - Direct Business	R0110	-	-	-	-	-	294,346	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	1,451
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	48,698	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	245,648	-	-	-	-	-	1,451
<b>Premiums earned</b>													
Gross - Direct Business	R0210	-	-	-	-	-	291,670	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	1,500
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	48,487	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	243,183	-	-	-	-	-	1,500
<b>Claims incurred</b>													
Gross - Direct Business	R0310	-	-	-	-	-	188,250	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	747
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	17,272	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	170,978	-	-	-	-	-	747
<b>Changes in other technical provisions</b>													
Gross - Direct Business	R0410	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0430	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0440	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0500	-	-	-	-	-	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	65,765	-	-	-	-	-	-
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-	-

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
<b>Premiums written</b>						
Gross - Direct Business	R0110					294,346
Gross - Proportional reinsurance accepted	R0120					1,451
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	48,698
Net	R0200	-	-	-	-	247,099
<b>Premiums earned</b>						
Gross - Direct Business	R0210					291,670
Gross - Proportional reinsurance accepted	R0220					1,500
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	48,487
Net	R0300	-	-	-	-	244,683
<b>Claims incurred</b>						
Gross - Direct Business	R0310					188,250
Gross - Proportional reinsurance accepted	R0320					747
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	17,272
Net	R0400	-	-	-	-	171,725
<b>Changes in other technical provisions</b>						
Gross - Direct Business	R0410					-
Gross - Proportional reinsurance accepted	R0420					-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-
Reinsurers'share	R0440	-	-	-	-	-
Net	R0500	-	-	-	-	-
<b>Expenses incurred</b>	R0550	-	-	-	-	65,765
<b>Other expenses</b>	R1200					-
<b>Total expenses</b>	R1300					65,765

## S.05.02.01

## Premiums, claims and expenses by Country (USD '000)

## Non-Life

		Home country	Top 5 countries (by amount of gross premiums written) - non life obligations					Total for top 5 countries and home country
			GB	SE	HK	SG		
			C0080	C0090	C0090	C0090	C0090	
<b>Premiums written</b>								
Gross - Direct Business	R0110	-	191,622	-	92,165	10,559	294,346	
Gross - Proportional reinsurance accepted	R0120	-	-	1,451	-	-	1,451	
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	
Reinsurers' share	R0140	-	18,779	-	27,685	2,234	48,698	
Net	R0200	-	172,843	1,451	64,480	8,325	247,099	
<b>Premiums earned</b>								
Gross - Direct Business	R0210	-	189,177	-	92,168	10,325	291,670	
Gross - Proportional reinsurance accepted	R0220	-	-	1,500	-	-	1,500	
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	
Reinsurers' share	R0240	-	18,568	-	27,685	2,234	48,487	
Net	R0300	-	170,609	1,500	64,483	8,092	244,683	
<b>Claims incurred</b>								
Gross - Direct Business	R0310	-	122,597	-	60,232	5,421	188,250	
Gross - Proportional reinsurance accepted	R0320	-	-	747	-	-	747	
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	
Reinsurers' share	R0340	-	6,990	-	8,364	1,918	17,272	
Net	R0400	-	115,607	747	51,869	3,502	171,725	
<b>Changes in other technical provisions</b>								
Gross - Direct Business	R0410	-	-	-	-	-	-	
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	
Gross - Non-proportional reinsurance accepted	R0430	-	-	-	-	-	-	
Reinsurers' share	R0440	-	-	-	-	-	-	
Net	R0500	-	-	-	-	-	-	
Expenses incurred	R0550	3,142	38,881	-	20,262	3,480	65,765	
Other expenses	R1200						-	
Total expenses	R1300						65,765	



## S.23.01.22

## Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds before deduction for participations in other financial sector</b>						
Ordinary share capital (gross of own shares)	R0010	-	-	-	-	-
Non-available called but not paid in ordinary share capital at group level	R0020	-	-	-	-	-
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	-	-	-	-	-
Non-available subordinated mutual member accounts at group level	R0060	-	-	-	-	-
Surplus funds	R0070	-	-	-	-	-
Non-available surplus funds at group level	R0080	-	-	-	-	-
Preference shares	R0090	-	-	-	-	-
Non-available preference shares at group level	R0100	-	-	-	-	-
Share premium account related to preference shares	R0110	-	-	-	-	-
Non-available share premium account related to preference shares at group level	R0120	-	-	-	-	-
Reconciliation reserve	R0130	275,860	275,860	-	-	-
Subordinated liabilities	R0140	-	-	-	-	-
Non-available subordinated liabilities at group level	R0150	-	-	-	-	-
An amount equal to the value of net deferred tax assets	R0160	-	-	-	-	-
The amount equal to the value of net deferred tax assets not available at the group level	R0170	-	-	-	-	-
Other items approved by supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Non available own funds related to other own funds items approved by supervisory authority	R0190	-	-	-	-	-
Minority interests (if not reported as part of a specific own fund item)	R0200	-	-	-	-	-
Non-available minority interests at group level	R0210	-	-	-	-	-

S.23.01.22  
Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>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</b>						
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	-	-	-	-	-
<b>Deductions</b>		-	-	-	-	-
Deductions for participations in other financial undertakings, including non-regulated undertakings c	R0230	-	-	-	-	-
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	-	-	-	-	-
Deductions for participations where there is non-availability of information (Article 229)	R0250	-	-	-	-	-
Deduction for participations included by using D&A when a combination of methods is used	R0260	-	-	-	-	-
Total of non-available own fund items	R0270	-	-	-	-	-
Total deductions	R0280	-	-	-	-	-
<b>Total basic own funds after deductions</b>	R0290	275,860	275,860	-	-	-
<b>Ancillary own funds</b>						
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	274,292	-	-	274,292	-
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	-	-	-	-	-
Non available ancillary own funds at group level	R0380	-	-	-	-	-
Other ancillary own funds	R0390	-	-	-	-	-
<b>Total ancillary own funds</b>	R0400	274,292	-	-	274,292	-
<b>Own funds of other financial sectors</b>						
Credit Institutions, investment firms, financial institutions, alternative investment fund manager, financial institutions	R0410	-	-	-	-	-
Institutions for occupational retirement provision	R0420	-	-	-	-	-
Non regulated entities carrying out financial activities	R0430	-	-	-	-	-
<b>Total own funds of other financial sectors</b>	R0440	-	-	-	-	-

## S.23.01.22

## Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Own funds when using the D&amp;A, exclusively or in combination of method 1</b>						
Own funds aggregated when using the D&A and combination of method	R0450	-	-	-	-	-
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	-	-	-	-	-
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A )	R0520	550,153	275,860	-	274,292	-
Total available own funds to meet the minimum consolidated group SCR	R0530	275,860	275,860	-	-	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A )	R0560	385,147	275,860	-	109,287	
Total eligible own funds to meet the minimum consolidated group SCR	R0570	275,860	275,860	-	-	
<b>Minimum consolidated Group SCR</b>	R0610	90,486				
<b>Ratio of Eligible own funds to Minimum Consolidated Group SCR</b>	R0650	305%				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A )	R0660	385,147	275,860	-	109,287	-
<b>Group SCR</b>	R0680	218,574				
<b>Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&amp;A</b>	R0690	176%				

		C0060
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	R0700	278,920
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	-
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Other non available own funds	R0750	3,060
<b>Reconciliation reserve</b>	R0760	275,860
<b>Expected profits</b>		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	28,041
<b>Total Expected profits included in future premiums (EPIFP)</b>	R0790	28,041

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula (USD '000)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
<b>Basic Solvency Capital Requirement</b>				
Market risk	R0010	68,677		
Counterparty default risk	R0020	14,745		
Life underwriting risk	R0030	-		
Health underwriting risk	R0040	-		
Non-life underwriting risk	R0050	193,426		
Diversification	R0060	(48,051)		
Intangible asset risk	R0070	-		
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>228,797</b>		
<b>Calculation of Solvency Capital Requirement</b>		<b>Value</b>		
		<b>C0100</b>		
Operational risk	R0130	16,041		
Loss-absorbing capacity of technical provisions	R0140	-		
Loss-absorbing capacity of deferred taxes	R0150	(26,264)		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional)	R0160	-		
<b>Solvency capital requirement, excluding capital add-on</b>	<b>R0200</b>	<b>218,574</b>		
Capital add-ons already set	R0210	-		
<b>Solvency capital requirement for undertakings under consolidated method</b>	<b>R0220</b>	<b>218,574</b>		
<b>Other information on SCR</b>				
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	-		
Minimum consolidated group solvency capital requirement	R0470	90,486		
<b>Information on other entities</b>				
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	-		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	-		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	-		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	R0530	-		
Capital requirement for non-controlled participation requirements	R0540	-		
Capital requirement for residual undertakings	R0550	-		
<b>Overall SCR</b>				
SCR for undertakings included via D and A	R0560	-		
<b>Solvency capital requirement</b>	<b>R0570</b>	<b>218,574</b>		

S.32.01.22

Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking*	Legal form	Category (mutual/non mutual)*	Supervisory Authority
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
LU	LEVDEOK59KJJZVF5N12D351	LEI	The West of England Ship Owners Mutual Insurance Association (Luxembourg)	Non life insurance undertaking	Association d'assurances mutuelles	Mutual	Commissariat aux Assurances
LU	LEVJ66LB8B3GB34QW4VRZ57	LEI	International Shipowners Reinsurance Company S.A.	Reinsurance undertaking	Société anonyme	Non-mutual	Commissariat aux Assurances
BM	SC/DEOK59KJJZVF5N12D351BM00001	Specific code	The West of England Reinsurance (Hamilton) Limited	Reinsurance undertaking	Limited Company	Non-mutual	Bermuda Monetary Authority
BM	SC/DEOK59KJJZVF5N12D351BM00002	Specific code	Hydra Insurance Company Ltd. West of England Cell	Reinsurance undertaking	Limited Company	Non-mutual	Bermuda Monetary Authority
LU	LEV5493000YTGVEQMHESTR10	LEI	West of England Insurance Services (Luxembourg) S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Société anonyme	Non-mutual	Commissariat aux Assurances
GB	SC/DEOK59KJJZVF5N12D351GB00001	Specific code	The West of England Ship Owners' Insurance Services Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Company	Non-mutual	
LU	SC/DEOK59KJJZVF5N12D351LU00001	Specific code	West of England Hellas S.à r.l.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Société à responsabilité limitée	Non-mutual	
US	SC/DEOK59KJJZVF5N12D351US00001	Specific code	West of England Insurance Services (North America) Inc	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Corporation	Non-mutual	
US	SC/DEOK59KJJZVF5N12D351US00002	Specific code	West of England Claims Services (North America) Inc.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Corporation	Non-mutual	
SE	LEV213800HQ67XMOLE7LL50	LEI	Nordisk Marinforskaring AB	Non life insurance undertaking	Limited Company	Non-mutual	Swedish Financial Supervisory Authority
GG	SC/DEOK59KJJZVF5N12D351GG00001	Specific code	Astaara Company Limited	Other	Limited Company	Non-mutual	
GB	SC/DEOK59KJJZVF5N12D351GB00002	Specific code	Qwest Maritime Limited	Other	Limited Company	Non-mutual	

## S.32.01.22

## Undertakings in the scope of the group

Country	Identification code of the undertaking	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% capital share	% used for the establishment	% voting rights	Other criteria	Level of influence*	Proportional share used	Yes/No*	Date of decision if	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LU	LEI/DEOK59KJJZVF5N12D351							Included in the scope		Method 1: Full Consolidation
LU	LEI/J66LB8B3GB34QW4VRZ57	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
BM	SC/DEOK59KJJZVF5N12D351BM00001	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
BM	SC/DEOK59KJJZVF5N12D351BM00002	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
LU	LEI/5493000YTGVEQMHESTR10	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
GB	SC/DEOK59KJJZVF5N12D351GB00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
LU	SC/DEOK59KJJZVF5N12D351LU00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
US	SC/DEOK59KJJZVF5N12D351US00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
US	SC/DEOK59KJJZVF5N12D351US00002	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
SE	LEI/213800HQ67XMOLE7LL50	44%	44%	44%		Significant	44%	Included in the scope		Method 1: Adjusted equity method
GG	SC/DEOK59KJJZVF5N12D351GG00001	43%	43%	43%		Significant	43%	Not included in the scope		Method 1: Adjusted equity method
GB	SC/DEOK59KJJZVF5N12D351GB00002	50%	50%	50%		Significant	50%	Not included in the scope		No inclusion in the scope of group supervision as defined in Art. 214 Directive 2009/138/EC

## Association Solo

### Basic Information - General

Undertaking name	The West of England Ship Owners Mutual Insurance Association (Luxembourg)
Undertaking identification code	LEI/DEOK59KJJZVF5N12D351
Type of undertaking	Non-Life Undertaking
Country of authorisation	LU
Language of reporting	en
Reporting reference date	20/02/2023
Currency used for reporting	USD
Accounting standards	Lux GAAP
Method of Calculation of the SCR	Standard Formula
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

### Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.17.01.02	Non-Life Technical Provisions
S.19.01.21	Non-Life Insurance Claims
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value
		C0010
<b>Assets</b>		
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	4,410
Property, plant & equipment held for own use	R0060	6,623
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	312,282
<i>Property (other than for own use)</i>	R0080	10,709
<i>Holdings in related undertakings, including participations</i>	R0090	179,375
<i>Equities</i>	R0100	20
<i>Equities - listed</i>	R0110	-
<i>Equities - unlisted</i>	R0120	20
<i>Bonds</i>	R0130	95,423
<i>Government Bonds</i>	R0140	55,856
<i>Corporate Bonds</i>	R0150	39,568
<i>Structured notes</i>	R0160	-
<i>Collateralised securities</i>	R0170	-
<i>Collective Investments Undertakings</i>	R0180	26,698
<i>Derivatives</i>	R0190	56
<i>Deposits other than cash equivalents</i>	R0200	-
<i>Other investments</i>	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	1,087
<i>Loans on policies</i>	R0240	-
<i>Loans and mortgages to individuals</i>	R0250	-
<i>Other loans and mortgages</i>	R0260	1,087
Reinsurance recoverables from:	R0270	426,028
<i>Non-life and health similar to non-life</i>	R0280	426,028
<i>Non-life excluding health</i>	R0290	426,028
<i>Health similar to non-life</i>	R0300	-
<i>Life and health similar to life, excluding health and index-linked and unit-linked</i>	R0310	-
<i>Health similar to life</i>	R0320	-
<i>Life excluding health and index-linked and unit-linked</i>	R0330	-
<i>Life index-linked and unit-linked</i>	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	19,091
Reinsurance receivables	R0370	10,493
Receivables (trade, not insurance)	R0380	4,149
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	90,354
Any other assets, not elsewhere shown	R0420	120
<b>Total assets</b>	<b>R0500</b>	<b>874,637</b>



## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value
		C0010
<b>Liabilities</b>		
Technical provisions – non-life	R0510	553,856
<i>Technical provisions – non-life (excluding health)</i>	R0520	553,856
<i>Technical provisions calculated as a whole</i>	R0530	-
<i>Best Estimate</i>	R0540	533,100
<i>Risk margin</i>	R0550	20,755
<i>Technical provisions - health (similar to non-life)</i>	R0560	-
<i>Technical provisions calculated as a whole</i>	R0570	-
<i>Best Estimate</i>	R0580	-
<i>Risk margin</i>	R0590	-
Technical provisions - life (excluding index-linked and unit-linked)	R0600	-
<i>Technical provisions - health (similar to life)</i>	R0610	-
<i>Technical provisions calculated as a whole</i>	R0620	-
<i>Best Estimate</i>	R0630	-
<i>Risk margin</i>	R0640	-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650	-
<i>Technical provisions calculated as a whole</i>	R0660	-
<i>Best Estimate</i>	R0670	-
<i>Risk margin</i>	R0680	-
Technical provisions – index-linked and unit-linked	R0690	-
<i>Technical provisions calculated as a whole</i>	R0700	-
<i>Best Estimate</i>	R0710	-
<i>Risk margin</i>	R0720	-
Other technical provisions	R0730	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	-
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	-
Derivatives	R0790	70
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	34,632
Reinsurance payables	R0830	-
Payables (trade, not insurance)	R0840	14,578
Subordinated liabilities	R0850	-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860	-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
<b>Total liabilities</b>	R0900	<b>603,135</b>
<b>Excess of assets over liabilities</b>	R1000	<b>271,502</b>

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
<b>Premiums written</b>													
Gross - Direct Business	R0110	-	-	-	-	-	294,346	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	1,451
Gross - Non-proportional reinsurance accepted	R0130												
Reinsurers' share	R0140	-	-	-	-	-	207,124	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	87,222	-	-	-	-	-	1,451
<b>Premiums earned</b>													
Gross - Direct Business	R0210	-	-	-	-	-	291,670	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	1,500
Gross - Non-proportional reinsurance accepted	R0230												
Reinsurers' share	R0240	-	-	-	-	-	206,913	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	84,757	-	-	-	-	-	1,500
<b>Claims incurred</b>													
Gross - Direct Business	R0310	-	-	-	-	-	188,250	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	747
Gross - Non-proportional reinsurance accepted	R0330												
Reinsurers' share	R0340	-	-	-	-	-	184,784	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	3,466	-	-	-	-	-	747
<b>Changes in other technical provisions</b>													
Gross - Direct Business	R0410	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	R0430												
Reinsurers' share	R0440	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0500	-	-	-	-	-	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	65,453	-	-	-	-	-	-
Other expenses	R1200												
Total expenses	R1300												

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
<b>Premiums written</b>						
Gross - Direct Business	R0110					294,346
Gross - Proportional reinsurance accepted	R0120					1,451
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	207,124
Net	R0200	-	-	-	-	88,673
<b>Premiums earned</b>						
Gross - Direct Business	R0210					291,670
Gross - Proportional reinsurance accepted	R0220					1,500
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	206,913
Net	R0300	-	-	-	-	86,257
<b>Claims incurred</b>						
Gross - Direct Business	R0310					188,250
Gross - Proportional reinsurance accepted	R0320					747
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	184,784
Net	R0400	-	-	-	-	4,213
<b>Changes in other technical provisions</b>						
Gross - Direct Business	R0410					-
Gross - Proportional reinsurance accepted	R0420					-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-
Reinsurers' share	R0440	-	-	-	-	-
Net	R0500	-	-	-	-	-
<b>Expenses incurred</b>	R0550	-	-	-	-	65,453
<b>Other expenses</b>	R1200					-
<b>Total expenses</b>	R1300					65,453

## S.05.02.01

## Premiums, claims and expenses by Country (USD '000)

## Non-Life

		Home country	Top 5 countries (by amount of gross premiums written) - non life obligations					Total for top 5 countries and home country
			GB	SE	HK	SG		
			C0080	C0090	C0090	C0090	C0090	
<b>Premiums written</b>								
Gross - Direct Business	R0110	-	191,622	-	92,165	10,559	294,346	
Gross - Proportional reinsurance accepted	R0120	-	-	1,451	-	-	1,451	
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	
Reinsurers' share	R0140	-	132,726	-	68,084	6,314	207,124	
Net	R0200	-	58,896	1,451	24,081	4,245	88,673	
<b>Premiums earned</b>								
Gross - Direct Business	R0210	-	189,177	-	92,168	10,325	291,670	
Gross - Proportional reinsurance accepted	R0220	-	-	1,500	-	-	1,500	
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	
Reinsurers' share	R0240	-	132,334	-	68,081	6,498	206,913	
Net	R0300	-	56,843	1,500	24,087	3,828	86,257	
<b>Claims incurred</b>								
Gross - Direct Business	R0310	-	122,597	-	60,232	5,421	188,250	
Gross - Proportional reinsurance accepted	R0320	-	-	747	-	-	747	
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	
Reinsurers' share	R0340	-	123,141	-	56,834	4,809	184,784	
Net	R0400	-	(543)	747	3,398	611	4,213	
<b>Changes in other technical provisions</b>								
Gross - Direct Business	R0410	-	-	-	-	-	-	
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	
Gross - Non-proportional reinsurance accepted	R0430	-	-	-	-	-	-	
Reinsurers' share	R0440	-	-	-	-	-	-	
Net	R0500	-	-	-	-	-	-	
Expenses incurred	R0550	2,447	39,264	-	20,262	3,480	65,453	
Other expenses	R1200						-	
Total expenses	R1300						65,453	

## S.17.01.02

## Non-Life Technical Provisions (USD '000)

		Segmentation for:								
		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' comp. 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
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
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	-	-	-	-	-	-	-	-	-
<b>Technical provisions calculated as a sum of BE and RM</b>										
<b>Best estimate</b>										
<i>Premium provisions</i>										
Gross - Total	R0060	-	-	-	-	-	(58,760)	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	(41,914)	-	-	-
Net Best Estimate of Premium Provisions	R0150	-	-	-	-	-	(16,846)	-	-	-
<i>Claims provisions</i>										
Gross - Total	R0160	-	-	-	-	-	591,822	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	467,942	-	-	-
Net Best Estimate of Claims Provisions	R0250	-	-	-	-	-	123,880	-	-	-
<b>Total Best estimate - gross</b>	R0260	-	-	-	-	-	533,062	-	-	-
<b>Total Best estimate - net</b>	R0270	-	-	-	-	-	107,034	-	-	-
<b>Risk margin</b>	R0280	-	-	-	-	-	20,748	-	-	-
<b>Amount of the transitional on Technical Provisions</b>										
TP as a whole	R0290	-	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-	-
<b>Technical provisions - total</b>										
Technical provisions - total	R0320	-	-	-	-	-	553,810	-	-	-
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	426,028	-	-	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	127,782	-	-	-

## S.17.01.02

## Non-Life Technical Provisions (USD '000)

		Segmentation for:							Total Non-Life obligation
		Direct business and accepted proportional reinsurance			accepted non-proportional reinsurance				
		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	
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	
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	-	-	-	-	-	-	-	-
<b>Technical provisions calculated as a sum of BE and RM</b>									
<b>Best estimate</b>									
<i>Premium provisions</i>									
Gross - Total	R0060	-	-	(155)	-	-	-	-	(58,915)
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	-	(41,914)
Net Best Estimate of Premium Provisions	R0150	-	-	(155)	-	-	-	-	(17,000)
<i>Claims provisions</i>									
Gross - Total	R0160	-	-	193	-	-	-	-	592,015
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-	-	467,942
Net Best Estimate of Claims Provisions	R0250	-	-	193	-	-	-	-	124,073
<b>Total Best estimate - gross</b>	R0260	-	-	39	-	-	-	-	533,100
<b>Total Best estimate - net</b>	R0270	-	-	39	-	-	-	-	107,073
<b>Risk margin</b>	R0280	-	-	7	-	-	-	-	20,755
<b>Amount of the transitional on Technical Provisions</b>									
TP as a whole	R0290	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-
<b>Technical provisions - total</b>									
Technical provisions - total	R0320	-	-	46	-	-	-	-	553,856
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-	-	426,028
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	46	-	-	-	-	127,828

S.19.01.21

Non-life insurance claims (USD '000)

Total Non-life business

Accident year / Underwriting year	Z0010	Underwriting Year
--------------------------------------	-------	----------------------

Gross Claims Paid (non-cumulative)

(absolute amount) \$000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											19,236
N-9	R0160	20,477	32,621	22,645	25,539	5,697	3,788	3,708	2,658	766	575	
N-8	R0170	24,701	48,779	28,178	37,418	3,161	6,386	2,923	7,075	2,698		
N-7	R0180	14,842	36,756	34,451	20,095	33,236	9,562	8,440	2,205			
N-6	R0190	22,279	30,045	49,315	17,659	1,176	6,032	2,388				
N-5	R0200	54,222	62,627	33,438	15,351	6,456	15,483					
N-4	R0210	56,400	57,030	28,296	21,647	3,827						
N-3	R0220	34,035	42,319	31,760	17,571							
N-2	R0230	42,455	54,261	18,865								
N-1	R0240	50,870	44,557									
N	R0250	35,954										

		In Current year	Sum of all years (cumulative)
		C0360	C0360
Prior	R0100	19,236	19,236
N-9	R0160	575	118,473
N-8	R0170	2,698	161,320
N-7	R0180	2,205	159,588
N-6	R0190	2,388	128,895
N-5	R0200	15,483	187,578
N-4	R0210	3,827	167,200
N-3	R0220	17,571	125,684
N-2	R0230	18,865	115,582
N-1	R0240	44,557	95,427
N	R0250	35,954	35,954
Total	R0260	163,359	1,314,935

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount) \$000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											62,938
N-9	R0160	-	-	-	28,789	20,590	13,285	8,943	4,739	2,819	2,795	
N-8	R0170	-	-	93,487	46,528	41,769	33,820	28,282	12,934	10,310		
N-7	R0180	-	105,468	66,220	50,992	26,245	16,273	4,846	3,234			
N-6	R0190	171,860	107,741	35,274	14,051	11,362	7,361	5,323				
N-5	R0200	185,885	108,636	62,886	49,005	36,824	31,308					
N-4	R0210	172,071	118,616	109,514	38,363	31,423						
N-3	R0220	155,720	111,240	66,535	50,125							
N-2	R0230	304,948	216,487	181,981								
N-1	R0240	176,124	125,937									
N	R0250	160,078										

		Year end (discounted data)
		C0360
Prior	R0100	55,974
N-9	R0160	2,486
N-8	R0170	9,169
N-7	R0180	2,876
N-6	R0190	4,734
N-5	R0200	27,844
N-4	R0210	27,947
N-3	R0220	44,579
N-2	R0230	161,845
N-1	R0240	112,003
N	R0250	142,366
Total	R0260	591,822

S.23.01.01  
Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35 \$000s</b>						
Ordinary share capital (gross of own shares)	R0010	-	-	-	-	-
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	271,502	271,502	-	-	-
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	-	-	-	-	-
<b>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</b>						
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	-	-	-	-	-
<b>Deductions</b>						
Deductions for participations in financial and credit institutions	R0230	-	-	-	-	-
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>271,502</b>	<b>271,502</b>	<b>-</b>	<b>-</b>	<b>-</b>



S.23.01.01  
Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Ancillary own funds</b>						
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	274,292	-	-	274,292	-
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	-	-	-	-	-
Other ancillary own funds	R0390	-	-	-	-	-
<b>Total ancillary own funds</b>	<b>R0400</b>	<b>274,292</b>	-	-	<b>274,292</b>	-
<b>Available and eligible own funds</b>						
<b>Total available own funds to meet the SCR</b>	<b>R0500</b>	<b>545,794</b>	<b>271,502</b>	-	<b>274,292</b>	-
<b>Total available own funds to meet the MCR</b>	<b>R0510</b>	<b>271,502</b>	<b>271,502</b>	-	-	-
Total eligible own funds to meet the SCR	R0540	340,451	271,502	-	68,950	-
Total eligible own funds to meet the MCR	R0550	271,502	271,502	-	-	-
SCR	R0580	137,900	-	-	-	-
MCR	R0600	34,475	-	-	-	-
<b>Ratio of Eligible own funds to SCR</b>	<b>R0620</b>	<b>247%</b>	-	-	-	-
<b>Ratio of Eligible own funds to MCR</b>	<b>R0640</b>	<b>788%</b>	-	-	-	-

**Reconciliation reserve**

		C0060
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	R0700	271,502
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	-
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
<b>Reconciliation reserve</b>	<b>R0760</b>	<b>271,502</b>
<b>Expected profits</b>		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	17,000
<b>Total Expected profits included in future premiums (EPIFP)</b>	<b>R0790</b>	<b>17,000</b>

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula (USD '000)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Market risk	R0010	61,835		
Counterparty default risk	R0020	47,438		
Life underwriting risk	R0030			
Health underwriting risk	R0040			
Non-life underwriting risk	R0050	54,927		
Diversification	R0060	(42,292)		
Intangible asset risk	R0070			
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>121,907</b>		
		<b>Value</b>		
<b>Calculation of Solvency Capital Requirement</b>		<b>C0100</b>		
Operational risk	R0130	15,993		
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			
<b>Solvency Capital Requirement excluding capital add-on</b>	<b>R0200</b>	<b>137,900</b>		
Capital add-on already set	R0210			
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>137,900</b>		
<b>Other information on SCR</b>				
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	-		

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (USD '000)

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	23,420

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	107,034	87,224
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	39	1,451
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	-

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	23,420
SCR	R0310	137,900
MCR cap	R0320	62,055
MCR floor	R0330	34,475
Combined MCR	R0340	34,475
Absolute floor of the MCR	R0350	3,966
Minimum Capital Requirement	R0400	34,475

## ISRe

### Basic Information - General

Undertaking name	International Shipowners Reinsurance Company S.A.
Undertaking identification code	LEIJ66LB8B3GB34QW4VRZ57
Type of undertaking	Non-Life Undertaking
Country of authorisation	LU
Language of reporting	en
Reporting reference date	20/02/2023
Currency used for reporting	USD
Accounting standards	Lux GAAP
Method of Calculation of the SCR	Standard Formula
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

### Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.17.01.02	Non-Life Technical Provisions
S.19.01.21	Non-Life Insurance Claims
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value
		C0010
<b>Assets</b>		
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	-
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	361,168
<i>Property (other than for own use)</i>	R0080	-
<i>Holdings in related undertakings, including participations</i>	R0090	-
<i>Equities</i>	R0100	-
<i>Equities - listed</i>	R0110	-
<i>Equities - unlisted</i>	R0120	-
<i>Bonds</i>	R0130	278,031
<i>Government Bonds</i>	R0140	155,076
<i>Corporate Bonds</i>	R0150	122,955
<i>Structured notes</i>	R0160	-
<i>Collateralised securities</i>	R0170	-
<i>Collective Investments Undertakings</i>	R0180	82,964
<i>Derivatives</i>	R0190	173
<i>Deposits other than cash equivalents</i>	R0200	-
<i>Other investments</i>	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	-
<i>Loans on policies</i>	R0240	-
<i>Loans and mortgages to individuals</i>	R0250	-
<i>Other loans and mortgages</i>	R0260	-
Reinsurance recoverables from:	R0270	-
<i>Non-life and health similar to non-life</i>	R0280	-
<i>Non-life excluding health</i>	R0290	-
<i>Health similar to non-life</i>	R0300	-
<i>Life and health similar to life, excluding health and index-linked and unit-linked</i>	R0310	-
<i>Health similar to life</i>	R0320	-
<i>Life excluding health and index-linked and unit-linked</i>	R0330	-
<i>Life index-linked and unit-linked</i>	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	-
Reinsurance receivables	R0370	-
Receivables (trade, not insurance)	R0380	249
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	9,788
Any other assets, not elsewhere shown	R0420	6
<b>Total assets</b>	<b>R0500</b>	<b>371,210</b>

## S.02.01.02

## Balance sheet (USD '000)

		Solvency II value	
		C0010	
<b>Liabilities</b>			
Technical provisions – non-life	R0510		236,905
<i>Technical provisions – non-life (excluding health)</i>	R0520		236,905
<i>Technical provisions calculated as a whole</i>	R0530		-
<i>Best Estimate</i>	R0540		217,451
<i>Risk margin</i>	R0550		19,454
<i>Technical provisions - health (similar to non-life)</i>	R0560		-
<i>Technical provisions calculated as a whole</i>	R0570		-
<i>Best Estimate</i>	R0580		-
<i>Risk margin</i>	R0590		-
Technical provisions - life (excluding index-linked and unit-linked)	R0600		-
<i>Technical provisions - health (similar to life)</i>	R0610		-
<i>Technical provisions calculated as a whole</i>	R0620		-
<i>Best Estimate</i>	R0630		-
<i>Risk margin</i>	R0640		-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650		-
<i>Technical provisions calculated as a whole</i>	R0660		-
<i>Best Estimate</i>	R0670		-
<i>Risk margin</i>	R0680		-
Technical provisions – index-linked and unit-linked	R0690		-
<i>Technical provisions calculated as a whole</i>	R0700		-
<i>Best Estimate</i>	R0710		-
<i>Risk margin</i>	R0720		-
Other technical provisions	R0730		-
Contingent liabilities	R0740		-
Provisions other than technical provisions	R0750		-
Pension benefit obligations	R0760		-
Deposits from reinsurers	R0770		-
Deferred tax liabilities	R0780		26,264
Derivatives	R0790		217
Debts owed to credit institutions	R0800		-
Financial liabilities other than debts owed to credit institutions	R0810		-
Insurance & intermediaries payables	R0820		-
Reinsurance payables	R0830		-
Payables (trade, not insurance)	R0840		1,435
Subordinated liabilities	R0850		-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860		-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870		-
Any other liabilities, not elsewhere shown	R0880		-
<b>Total liabilities</b>	R0900		264,821
<b>Excess of assets over liabilities</b>	R1000		106,389

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
<b>Premiums written</b>													
Gross - Direct Business	R0110	-	-	-	-	-	117,683	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	117,683	-	-	-	-	-	-
<b>Premiums earned</b>													
Gross - Direct Business	R0210	-	-	-	-	-	117,683	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	117,683	-	-	-	-	-	-
<b>Claims incurred</b>													
Gross - Direct Business	R0310	-	-	-	-	-	124,180	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	124,180	-	-	-	-	-	-
<b>Changes in other technical provisions</b>													
Gross - Direct Business	R0410	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0440	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0500	-	-	-	-	-	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	1,051	-	-	-	-	-	-
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-	-

## S.05.01.02

## Premiums, claims and expenses by line of business (USD '000)

## Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
<b>Premiums written</b>						
Gross - Direct Business	R0110					117,683
Gross - Proportional reinsurance accepted	R0120					-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-
Net	R0200	-	-	-	-	117,683
<b>Premiums earned</b>						
Gross - Direct Business	R0210					117,683
Gross - Proportional reinsurance accepted	R0220					-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-
Net	R0300	-	-	-	-	117,683
<b>Claims incurred</b>						
Gross - Direct Business	R0310					124,180
Gross - Proportional reinsurance accepted	R0320					-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-
Net	R0400	-	-	-	-	124,180
<b>Changes in other technical provisions</b>						
Gross - Direct Business	R0410					-
Gross - Proportional reinsurance accepted	R0420					-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-
Reinsurers'share	R0440	-	-	-	-	-
Net	R0500	-	-	-	-	-
<b>Expenses incurred</b>						
	R0550	-	-	-	-	1,051
<b>Other expenses</b>						
	R1200					-
<b>Total expenses</b>	R1300					1,051



## S.05.02.01

## Premiums, claims and expenses by Country (USD '000)

## Non-Life

		Home country	Total for top 5 countries and home country
		C0080	C0140
<b>Premiums written</b>			
Gross - Direct Business	R0110	117,683	117,683
Gross - Proportional reinsurance accepted	R0120	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-
Reinsurers' share	R0140	-	-
Net	R0200	117,683	117,683
<b>Premiums earned</b>			
Gross - Direct Business	R0210	117,683	117,683
Gross - Proportional reinsurance accepted	R0220	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-
Reinsurers' share	R0240	-	-
Net	R0300	117,683	117,683
<b>Claims incurred</b>			
Gross - Direct Business	R0310	124,180	124,180
Gross - Proportional reinsurance accepted	R0320	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-
Reinsurers' share	R0340	-	-
Net	R0400	124,180	124,180
<b>Changes in other technical provisions</b>			
Gross - Direct Business	R0410	-	-
Gross - Proportional reinsurance accepted	R0420	-	-
Gross - Non-proportional reinsurance accepted	R0430	-	-
Reinsurers' share	R0440	-	-
Net	R0500	-	-
<b>Expenses incurred</b>	R0550	1,051	1,051
<b>Other expenses</b>	R1200		-
<b>Total expenses</b>	R1300		1,051

## S.17.01.02

## Non-Life Technical Provisions (USD '000)

		Segmentation for:								
		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' comp. 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
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
<b>Technical provisions calculated as a whole</b>	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	-	-	-	-	-	-	-	-	-
<b>Technical provisions calculated as a sum of BE and RM</b>										
<b>Best estimate</b>										
<i>Premium provisions</i>										
Gross - Total	R0060	-	-	-	-	-	(8,687)	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	-	-	-
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	(8,687)	-	-	-
<i>Claims provisions</i>										
Gross - Total	R0160	-	-	-	-	-	226,138	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-	-	-	-
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	226,138	-	-	-
<b>Total Best estimate - gross</b>	R0260	-	-	-	-	-	217,451	-	-	-
<b>Total Best estimate - net</b>	R0270	-	-	-	-	-	217,451	-	-	-
<b>Risk margin</b>	R0280	-	-	-	-	-	19,454	-	-	-
<b>Amount of the transitional on Technical Provisions</b>										
TP as a whole	R0290	-	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-	-
<b>Technical provisions - total</b>										
Technical provisions - total	R0320	-	-	-	-	-	236,905	-	-	-
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-	-	-	-
<b>Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total</b>	R0340	-	-	-	-	-	236,905	-	-	-

## S.17.01.02

## Non-Life Technical Provisions (USD '000)

		Segmentation for:							Total Non-Life obligation
		Direct business and accepted proportional reinsurance			accepted non-proportional reinsurance				
		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	
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	
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	-	-	-	-	-	-	-	-
<b>Technical provisions calculated as a sum of BE and RM</b>									
<b>Best estimate</b>									
<i>Premium provisions</i>									
Gross - Total	R0060	-	-	-	-	-	-	-	(8,687)
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	-	-
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	-	-	(8,687)
<i>Claims provisions</i>									
Gross - Total	R0160	-	-	-	-	-	-	-	226,138
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-	-	-
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	-	-	226,138
<b>Total Best estimate - gross</b>	R0260	-	-	-	-	-	-	-	217,451
<b>Total Best estimate - net</b>	R0270	-	-	-	-	-	-	-	217,451
<b>Risk margin</b>	R0280	-	-	-	-	-	-	-	19,454
<b>Amount of the transitional on Technical Provisions</b>									
TP as a whole	R0290	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-
<b>Technical provisions - total</b>									
Technical provisions - total	R0320	-	-	-	-	-	-	-	236,905
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-	-	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	-	-	236,905

S.19.01.21

Non-life insurance claims (USD '000)

Total Non-life business

Accident year / Underwriting year	Z0010	Underwriting Year
--------------------------------------	-------	----------------------

Gross Claims Paid (non-cumulative)

(absolute amount) \$000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											1,171
N-9	R0160	16,381	24,561	14,711	17,209	2,374	2,866	1,353	1,485	2,227	-	
N-8	R0170	19,761	23,227	11,987	4,937	2,332	2,854	1,036	4,679	-		
N-7	R0180	11,874	25,081	19,622	15,443	18,520	3,019	10,484	-			
N-6	R0190	17,823	24,036	23,758	9,851	614	10,498	-				
N-5	R0200	34,933	40,298	14,937	10,833	29,372	-					
N-4	R0210	42,677	25,312	14,947	37,220	-						
N-3	R0220	27,228	20,466	21,309	13,016							
N-2	R0230	33,078	38,215	13,699								
N-1	R0240	36,407	26,389									
N	R0250	20,068										

		In Current year	Sum of all years (cumulative)
		C0360	C0360
Prior	R0100	1,171	1,171
N-9	R0160	-	83,168
N-8	R0170	-	70,813
N-7	R0180	-	104,042
N-6	R0190	-	86,581
N-5	R0200	-	130,374
N-4	R0210	-	120,157
N-3	R0220	13,016	82,020
N-2	R0230	13,699	84,991
N-1	R0240	26,389	62,796
N	R0250	20,068	20,068
Total	R0260	74,343	846,180

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount) \$000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											15,624
N-9	R0160	-	-	-	15,660	10,449	6,552	3,756	1,879	-	-	
N-8	R0170	-	-	19,062	12,159	9,792	6,258	4,837	-	-		
N-7	R0180	-	61,964	43,603	28,228	12,469	9,256	-	-			
N-6	R0190	94,886	51,471	21,680	10,095	8,506	-	-				
N-5	R0200	97,367	53,597	33,703	25,786	-	-					
N-4	R0210	80,315	48,068	38,482	-	-						
N-3	R0220	87,270	72,096	41,486	27,649							
N-2	R0230	115,729	70,155	51,321								
N-1	R0240	116,358	77,715									
N	R0250	114,148										

		Year end (discounted data)
		C0360
Prior	R0100	12,334
N-9	R0160	-
N-8	R0170	-
N-7	R0180	-
N-6	R0190	-
N-5	R0200	-
N-4	R0210	-
N-3	R0220	21,827
N-2	R0230	40,514
N-1	R0240	61,350
N	R0250	90,112
Total	R0260	226,138

S.23.01.01  
Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35 \$000s</b>						
Ordinary share capital (gross of own shares)	R0010	25,000	25,000	-	-	-
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	81,389	81,389	-	-	-
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	-	-	-	-	-
<b>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</b>						
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	-	-	-	-	-
<b>Deductions</b>						
Deductions for participations in financial and credit institutions	R0230	-	-	-	-	-
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>106,389</b>	<b>106,389</b>	<b>-</b>	<b>-</b>	<b>-</b>

S.23.01.01  
Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Ancillary own funds</b>						
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	85,000	-	-	85,000	-
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	-	-	-	-	-
<b>Total ancillary own funds</b>	R0400	85,000	-	-	85,000	-
<b>Available and eligible own funds</b>						
<b>Total available own funds to meet the SCR</b>	R0500	191,389	106,389	-	85,000	-
<b>Total available own funds to meet the MCR</b>	R0510	106,389	106,389	-	-	-
<b>Total eligible own funds to meet the SCR</b>	R0540	154,603	106,389	-	48,214	-
<b>Total eligible own funds to meet the MCR</b>	R0550	106,389	106,389	-	-	-
<b>SCR</b>	R0580	96,427	-	-	-	-
<b>MCR</b>	R0600	38,873	-	-	-	-
<b>Ratio of Eligible own funds to SCR</b>	R0620	160%	-	-	-	-
<b>Ratio of Eligible own funds to MCR</b>	R0640	274%	-	-	-	-

**Reconciliation reserve**

		C0060
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	R0700	106,389
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	25,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
<b>Reconciliation reserve</b>	R0760	81,389
<b>Expected profits</b>		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	8,687
<b>Total Expected profits included in future premiums (EPIFP)</b>	R0790	8,687

**S.25.01.21**
**Solvency Capital Requirement - for undertakings on Standard Formula (USD '000)**

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Market risk	R0010	39,657		
Counterparty default risk	R0020	7,767		
Life underwriting risk	R0030	-		
Health underwriting risk	R0040	-		
Non-life underwriting risk	R0050	95,281		
Diversification	R0060	(26,538)		
Intangible asset risk	R0070	-		
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>116,168</b>		
		<b>Value</b>		
<b>Calculation of Solvency Capital Requirement</b>		<b>C0100</b>		
Operational risk	R0130	6,524		
Loss-absorbing capacity of technical provisions	R0140	-		
Loss-absorbing capacity of deferred taxes	R0150	(26,264)		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-		
<b>Solvency Capital Requirement excluding capital add-on</b>	<b>R0200</b>	<b>96,427</b>		
Capital add-on already set	R0210	-		
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>96,427</b>		
<b>Other information on SCR</b>				
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	-		

## S.28.01.01

## Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (USD '000)

## Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	38,873

## 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	217,451	117,683
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	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

## Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	-

## 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	38,873
SCR	R0310	96,427
MCR cap	R0320	43,392
MCR floor	R0330	24,107
Combined MCR	R0340	38,873
Absolute floor of the MCR	R0350	1,289
Minimum Capital Requirement	R0400	38,873