

Alpitour Reinsurance Company dac

Revised Solvency and Financial Condition Report
for the reporting period ended 31 October 2024

Approved by the Board on 10 February 2025

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Summary

This Report refers to the business of Alpitour Reinsurance Company dac ('the Company', 'ARC'), an authorised reinsurer supervised by the Central Bank of Ireland. It provides the reader with information on the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management for the reporting period ended 31 October 2023.

ARC is a subsidiary of Alpitour S.p.A., Italy's preeminent tourist organisation. ARC's business strategy is to act as a reinsurer in respect of a defined portion of the travel and associated risks of Alpitour Group clients and in this way enhance the service offering of its parent group. Reinsurance is accepted under a quota share arrangement with Europ Assistance Italia S.p.A, a member of the Generali Group.

A pre-tax underwriting profit of EUR4,977,797 was recorded for the reporting period representing a significant improvement from last period as trading benefitted from the inception of the new 51% quota share reinsurance treaty arrangement from 1 November 2023 (previously was 90%). Premium revenue returned to near pre-pandemic levels. Although claims activity was still higher than the pre-Covid average, it trended in the right direction and was reflective of a favourable impact to the measures implemented under the new reinsurance arrangement aimed at reducing claims loss ratios to a more satisfactory and manageable level. The run-off of claims under the previous 90% reinsurance arrangement continued to be managed in the period.

The Company purchased retrocession cover for the reporting period. Despite the marginal solvency benefit from having this cover, the balance sheet protection benefit and the comfort of knowing such cover is in place, is deemed to outweigh the premium cost. For this reason, the Board have resolved to continue with cover for the new reporting period, purchasing cover of EUR2m in excess of EUR500k effective 1 November 2024.

The overall strategic objective of the Company with respect to its investment policy is to preserve principal value while covering its technical reserve requirements and meeting its ongoing cash flow needs. Given the short-term nature of its travel risk exposures, the practice is to retain funds to meet such liabilities in a combination of operational bank accounts and a group cash pool balance. Diversification of risk is achieved by also holding a balanced portfolio of corporate and government bonds.

The Board of the Company is ultimately accountable and responsible for the performance and conduct of ARC and in addition to its Chief Executive Officer has appointed four key function holders (Compliance, Internal Audit, Risk Management and Actuarial) and a Management Services Provider to ensure the Company is governed effectively and in line with its regulatory obligations.

The Board has identified the key risks to which ARC is exposed and established appropriate corporate governance, risk management and reporting mechanisms to ensure that the identified risks remain relevant, and that they are managed and reported on with appropriate levels of detail and frequency. Documented escalation mechanisms are in place to ensure that breaches in risk tolerances, internal controls and governance requirements are reported promptly to the appropriate individuals. The current risk profile of the Company and its underlying drivers are well understood and appropriate for the nature, scale and complexity of the business and within its risk appetite.

There have been no material changes over the reporting period in respect of the Company's system of governance and risk profile.

The Company's assets are valued on an economic basis in line with FRS 102 and its technical provisions include a discounted best estimate plus risk margin.

The Company has calculated its own solvency needs through an assessment of its risks, business plans and financial and capital projections over the next three years. The results of this exercise are used to better inform decision making within the Company.

Revision Statement

The original statutory financial statements for 31 October 2024, approved by the Board on 23 December 2024, have been revised and replaced with the revised statutory financial statements for the same financial year. The revised statutory financial statements are now the statutory financial statements of the Company for the year ended 31 October 2024. The revised statutory financial statements have

been prepared as at the date of the original statutory financial statements and not as at the date of the revisions and, accordingly, do not deal with events and transactions between those dates.

The revision arose after it came to the attention of the directors that there was a €352k understatement of the Company's tax charge for the year then ended, arising from the double counting of tax losses carried forward. The necessary amendments including the revision to the tax charge and the related tax liability, have been incorporated into the revised financial statements, in accordance with Section 367, Companies Act 2014 (Revised Financial Statements).

The revision impacted the Profit and Loss account and the Balance Sheet, as well as the relevant notes to the financial statements.

As at 31 October 2024, the Company had revised basic own funds of EUR15,505,599 (2023: EUR12,049,874) available to meet its Solvency Capital Requirement ('SCR') of EUR8,398,630 (2023: EUR10,224,009). The resultant revised 185% solvency coverage exceeds the Company's risk appetite threshold of 120%. The Minimum Capital Requirement was also satisfactorily met at the period-end.

There were no instances of non-compliance with the capital requirements during the period.

A. Business and Performance

A.1 Business

General Information

Alpitour Reinsurance Company dac was incorporated on the 23 April 1997 as a reinsurer of certain contractual risks arising out of the tourism business undertaken by the Alpitour Group. The Company converted to a designated activity company limited by shares under the Companies Act 2014 on 15 July 2016.

The Company holds a Certificate of Authorisation from the Central Bank of Ireland ('CBOI') to carry out the business of reinsurance (Ref. No.: C40425) pursuant to the European Union (Insurance and Reinsurance) Regulations 2015 (SI 485). Its registered office and place of business is 13 Fitzwilliam Street Upper, Dublin 2.

The Insurance Supervision Team of the Central Bank of Ireland may be contacted at:

General Insurance Supervision
Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1
Tel: +353 1 224 4000

The Company's external auditors are:

Forvis Mazars
Chartered Accountants & Statutory Audit Firm,
Harcourt Centre, Block 3,
Harcourt Road,
Dublin 2,
Tel: +353 1 449 4400

The Company is a wholly owned subsidiary of Alpitour S.p.A, a company incorporated in Italy. ARC is the only (re)insurance company within the Alpitour Group and has no branches.

Alpitour was founded in 1947 as a small travel agency that specialised in short trips on trains and buses during special events.

Today, the Alpitour Group represents the most important and multifaceted tourist operation. It is active along the entire tourism chain due to their five integrated divisions that operate nationally and internationally: Tour Operating, Aviation, Hotel Management, Incoming and Travel Agencies.

Business Details

The principal activity of the Company is to provide reinsurance coverage on a quota share basis in respect of a range of travel and associated assistance risks undertaken by Alpitour S.p.A. and associated companies and underwritten by Europ Assistance in Italy. The coverages provided are categorised as proportional reinsurance under the following lines of business:

- Medical expense (including accident)
- Marine, Aviation & Transport
- Legal expense
- Assistance
- Miscellaneous Financial Loss

The nature of the risks reinsured is such that losses are short tail in nature with an average claims cost of less than EUR1,000 across the book and EUR10,000 for large claims with the highest individual settlement typically not greater than EUR75,000. The book is generally characterised by high frequency but low severity.

A.2 Underwriting Performance

Results for the reporting periods ended 31 October 2024 and 2023 are shown below:

	2024 EUR	2023 EUR
Premiums written & earned - gross	17,440,677	19,255,540
- reinsurers' share	(242,423)	(103,246)
- net	17,198,254	19,152,294
<i>Claims paid – gross and net</i>	(12,898,481)	(15,768,733)
<i>Change in provision for claims – gross and net of reinsurance</i>	2,950,568	(1,400,655)
Claims incurred, net of reinsurance	(9,947,913)	(17,169,388)
Fronting Fees	(16,636)	(77,022)
Claims Handling Fees	(1,884,260)	(1,430,666)
Administrative expenses	(371,648)	(379,343)
Underwriting result	4,977,797	95,875

Gross premiums assumed and earned are split by line of business as follows:

	2024 EUR	2023 EUR
Medical expense (including accident)	7,950,475	6,933,797
Marine, aviation & transport	812,120	1,137,935
Legal expense	476,557	568,898
Assistance	3,407,693	4,129,873
Miscellaneous financial loss	4,793,832	6,485,037
	17,440,677	19,255,540

Trading for this reporting period represented a significant improvement from last period as it benefitted from the inception of the new 51% quota share reinsurance treaty arrangement from 1 November 2023 (previously was 90%). Premium revenue returned to near pre-pandemic levels. Although claims activity was still higher than the pre-Covid average, it trended in the right direction and was reflective of a favourable impact to the measures implemented under the new reinsurance arrangement aimed at reducing claims loss ratios to a more satisfactory and manageable level. The run-off of claims under the previous 90% reinsurance arrangement continued to be managed in the period. The overall claims activity reported in 2024 generated a loss ratio of 67% (excluding IBNR).

Retrocession cover was purchased for the period 24 March – 31 October 2023. The cover was EUR4m in excess of EUR500k. The value of the retrocession was viewed more from a balance sheet protection perspective rather than as a capital efficiency tool.

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Claims incurred are split by proportional reinsurance line of business as follows:

2024 EUR	Medical expense (including accident)	Marine, aviation and transport	Legal expense	Assistance	Misc. financial loss	TOTAL
Claims paid	(3,178,677)	(47,637)	-	(908,989)	(8,763,178)	(12,898,481)
Change in provision for claims – gross and net amount	984,158	99,302	(2,535)	95,916	1,773,727	2,950,568
Claims incurred, net of reinsurance	(2,194,519)	51,665	(2,535)	(813,073)	(6,989,451)	(9,947,913)

2023 EUR	Medical expense (including accident)	Marine, aviation and transport	Legal expense	Assistance	Misc. financial loss	TOTAL
Claims paid	(4,110,837)	(134,661)	-	(1,103,795)	(10,419,440)	(15,768,733)
Change in provision for claims – gross and net amount	(1,015,327)	(149,895)	-	(18,480)	(216,953)	(1,400,655)
Claims incurred, net of reinsurance	(5,126,164)	(284,556)	-	(1,122,275)	(10,636,393)	(17,169,388)

Fronting fees represent 0.4% of gross premiums earned in the period under the old reinsurance treaty. Claims handling fees payable to the fronting insurer are 7.6% and 12% of gross written premiums earned under the old and new reinsurance treaties respectively. A small element of the Company's business relating to guaranteed fees does not attract any claims handling charge. Fees are applied consistently across each line of business.

Administrative expenses were 2% lower than the costs incurred in the prior reporting period.

A.3 Investment Performance

In line with its investment policy, the Company holds a portfolio of corporate and government bonds and has entered into a cash pooling arrangement with Alpitour S.p.A. Its net investment return for the reporting and comparative period is as follows:

	2024 EUR	2023 EUR
Income from fixed income securities	157,312	178,355
Income from cash pool	86,826	67,744
Investment management expenses	(16,515)	(23,239)
Unrealised (losses)/gains on investments	597,464	202,284
Realised (losses) on investments	(30,048)	(331,138)
Net investment return	795,039	94,006

The Company bond portfolio benefitted from favourable price movements in the market during the period. Two bonds matured during the period and their proceeds were reinvested.

No term deposits were held during the reporting period.

The Company has been a participant in the Alpitour S.p.A. Group cash pooling scheme since 2012. The pooled balance is repayable on demand. Interest accrues on the balance at a rate of 1-month Euribor plus 25 basis points.

Investment management expenses are payable as a percentage of the closing value of the bond portfolio held at each calendar quarter end. Costs incurred were lower this year as minimal investment costs were separately incurred on the purchase of bonds in this period compared to last period.

A.4 Performance of other activities

The Company does not carry out any other activities other than the reinsurance business described in A.1 above and has not entered into any leasing agreements.

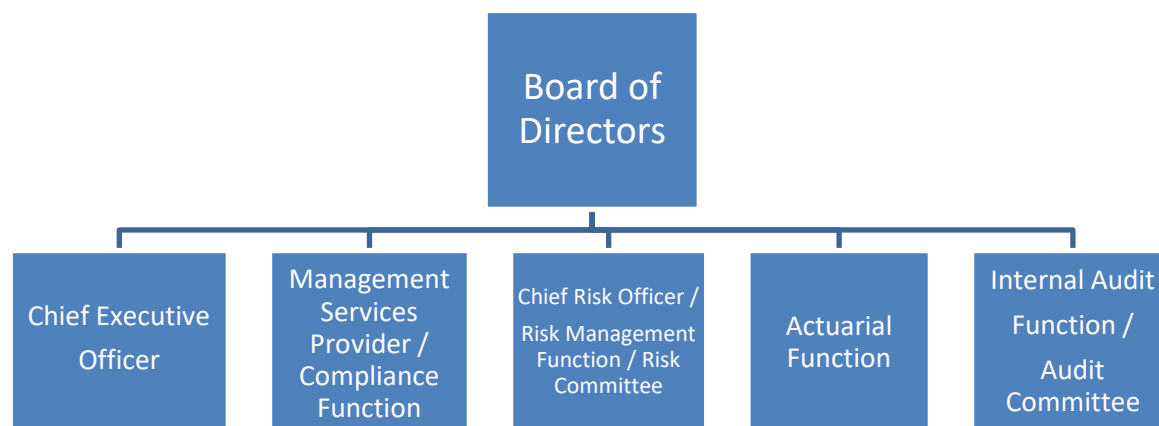
A.5 Any other information

There are no other material matters to disclose in relation to the Company's business.

B. System of Governance

B.1 General information on the system of governance

The organisational structure of the Company is as follows:



— Indicates direct reporting lines

The Board of the Company is the focal point of the corporate governance regime. It is ultimately accountable and responsible for the performance and conduct of the Company. The Board has a paramount role to ensure that the Company satisfies all regulatory and statutory requirements related to its operations and has appointed four key function holders (Compliance, Internal Audit, Risk Management and Actuarial) and a Management Services Provider to ensure adherence to these obligations. Function holders report to the Board directly or through the Chair of a Sub-Committee established by the Board. In reporting to the Board, the holders of the above positions ensure that they provide information which is timely, accurate and sufficiently detailed so as to enable the Board to make informed decisions and discharge its duties appropriately.

The Directors are responsible for monitoring performance of the Company on behalf of its ultimate shareholder. In this context, the Board has defined the Company's strategic objectives, which are reviewed annually.

Authority for all actions and expenditure within the Company flows from the Board who have put in place the necessary systems of internal control within the Company to ensure that business is undertaken in a controlled and responsible manner.

The Company has formalised and documented its governance structures and responsibilities within its Corporate Governance Manual (CGM) which is updated, together with the supporting policies, and reviewed by the Board on an annual basis.

Board of Directors

The Board is comprised of only those persons with sufficient knowledge of the Company's business and the environment in which it operates so as to properly contribute to the effective running of the Company and the achievement of its objectives.

The Board members have:

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

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

- Margaret Shoebridge (British)
- Eamonn Brennan (Irish)
- Guglielmo Distefano (Italian)
- Paul Gallen (Irish)
- Alessandro Seghi (Italian)

Notwithstanding any third-party/group management arrangements or delegated authorities which are established, the Board formally acknowledges its responsibility for the following areas:

- The effective, prudent and ethical oversight of the Company;
- Ensuring that risk and compliance are properly managed;
- Establishing the strategy and policies of the Company and overseeing and monitoring their implementation;
- Setting the corporate tone with regard to governance, ethics and general behaviour;
- Establishment, review and approval of systems of internal control, risk management, regulatory compliance and codes of conduct to ensure that the Company is compliant with relevant laws, regulations and codes of conduct; and
- Accountability for the Company's performance and results.

The Board may delegate authority to sub-committees or management to act on its behalf in respect of certain matters but, where the Board does so, it has documented mechanisms in place regarding the activities delegated and the monitoring of the exercise of such delegated functions. Activities are delegated and allocated in such a manner that no one individual has unfettered control of the business. The Board cannot abrogate its responsibility for functions delegated.

The Terms of Reference of the Board are fully documented and are reviewed annually to ensure that they continue to be appropriate and reflective of the Board's obligations.

As documented in the CGM, the key responsibilities of the Board are to:

- a. Ensure the appropriate knowledge, skills, experience and commitment exists within the Board of Directors to oversee the Company effectively.
- b. Set out the corporate governance principles, responsibilities, and commitments appropriate to the Company and ensure they are communicated throughout the Company.
- c. Establish policies and strategies to ensure compliance with principles, responsibilities, and commitments and to establish procedures for monitoring and evaluating the progress towards them. Adherence to the policies and strategies must be reviewed annually.
- d. Establish standards of business conduct and ethical behaviour for directors, senior management and other personnel. These include policies on conflicts of interest.
- e. Establish procedures for the appointment, disciplinary procedures and dismissal of senior management, including the establishment of a remuneration policy that is reviewed periodically. The remuneration policy will not include incentives that would encourage imprudent or reckless behaviour.
- f. Satisfy itself that the Company is organised in a way that promotes the effective and prudent management of the undertaking and the Board of Directors oversight of that management. In this context, the Board of Directors must satisfy itself as to the existence of a risk management function, proportionate to the nature, scale and complexity of the insurance undertaking's business that monitors the risks related to the type of business undertaken.
- g. Establish an appropriate compliance, internal audit, actuarial and risk management function and establish the applicable checks and balances for each function.
- h. Determine and review the Company's strategic direction.
- i. Approve and oversee the management of all renewal processes, including signing off inwards reinsurance and outwards reinsurance programmes as necessary.
- j. Keep under review and maintain the Company's capital and liquidity positions.
- k. Review and approve proposals for the allocation of capital and other resources.
- l. Approve material acquisitions and disposals of assets.
- m. Approval of and review of compliance with the Risk Appetite Statement.

- n. Approve material joint ventures, strategic partnerships and alliances which are significant in terms of the business of the Company.
- o. Receive Quarterly Business and Financial Reports and review actual performance in the light of the Company's strategy, objectives, corporate and business plans and budgets.
- p. Consider and approve the Company's procedures for reviewing and monitoring risk and receive regular reports thereon.
- q. Approve the Company's annual audited financial statements and any other published financial statements or other material significant statements issued.
- r. Determine dividend policy.
- s. Review and approve the annual compliance policy, together with Company's annual Compliance and Directors' Accuracy statements which form part of and accompany the return to the CBOI.
- t. Review and approve annually all policies of the Company.
- u. Review and, as appropriate, agree changes in the terms of reference of sub committees that could be established by the Board.
- v. Collectively ensure that the Company complies with all relevant laws, regulations and any established codes of conduct.
- w. Ensure that the Non-Executive Directors are given adequate training support in relation to the operations and the performance of the Company.
- x. Identify a Compliance Officer.
- y. Identify a Chief Risk Officer
- z. Ensure an open and transparent communication with the CBOI.
- aa. Take an active role in the Own Risk & Solvency Assessment processes and develop the appropriate responses for the Company.

Delegated Authorities

In furtherance of the effective operation of the Company's activities, the Board has seen fit to delegate the following roles to the persons/bodies noted:

Activity	Individual/Body Responsible
Transfer of funds/payments in line with established bank mandate	Authorised Signatories
Approval of general expenses <EUR500,000	Authorised Signatories

The Board reserves the right to withdraw or amend such delegated authorities at any time should it see fit to do so.

Audit Committee

The Company's Audit Committee is comprised of all members of the Board. Based on their individual careers and expertise, it is regarded that each Director brings valuable skills and knowledge which maximise the effectiveness of the Audit Committee. The Chair is an independent non-executive director.

The Audit Committee meets at least twice a year and carries out the following activities:

- Consideration of the appointment of external and internal auditors and assessment of their respective independence and objectivity;
- Review of the relationship with external auditors: including consideration of audit fees and other fees paid for non-audit services (e.g. tax compliance / advice);
- Engagement with the internal audit team and agreement on the scope of their annual reviews;
- Review of the audited financial statements and annual regulatory reporting submissions and recommendation to the Board for their approval;
- Monitor the effectiveness and adequacy of the Company's system of internal control procedures;
- Review of any reports released by the internal auditor;
- Review of consistency of accounting policies both on a year to year basis and across the Company; and
- Reporting to the Board on all Audit Committee meetings and making recommendations for their approval as required.

The Audit Committee has documented its terms of reference, and these are reviewed annually by the committee members and the Board. Proceedings of committee meetings are minuted and distributed as part of the meeting materials for the next cycle of meetings. In the interim, oral reports are provided by the Chair of the Audit Committee to the Board on Committee meetings that immediately precede a Board meeting.

Risk Committee

The Board has established a Risk Committee whose responsibilities include:

- Oversight and advice to the Board on the Company's current risk exposures and future risk strategy;
- Advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, amounts, types and distribution of both internal capital and own funds adequate to cover the risks of the Company;
- Advising the Board on risk appetite and tolerance for future strategy, taking account of the Board's overall risk appetite and the current financial position of the Company;
- Working with the Chief Risk Officer to ensure the development and on-going maintenance of an effective risk management system within the Company that is effective and proportionate to the nature, scale and complexity of the risks inherent in the business;
- Reviewing and recommending the risk appetite metrics for each of the major risk classes identified;
- Reviewing the Company's risk register for on-going appropriateness and implement any recommendations it deems necessary;
- Reviewing and challenging the Company's overall risk profile, capital and funding position;
- Monitoring and challenging actual risk exposures and recommending appropriate actions which it considers should be taken to manage exposures within the risk appetite parameters set by the Board;
- Reviewing risk implications relating to proposed new/existing business developments within the Company's Own Risk and Solvency Assessment framework;
- Reviewing the Company's operational framework and its supporting control log at least annually;
- Reviewing claims information in terms of identifying emerging trends, deterioration of loss ratios, specific serious claims and other general claims issues that in its opinion warrants special attention by the Board and /or management;
- Implementing and monitoring the effectiveness of the Company's retrocession strategy, including ongoing monitoring of the security of retrocessionaire(s).

The Risk Committee meets, at a minimum, twice a year, with the meetings typically held prior to a Board meeting. The Committee consists of at least three persons, the majority of whom are non-executive directors, independent non-executive directors or a combination of both. The Chair shall be a non-executive director or an independent non-executive director and is appointed from the Committee membership. An oral report is provided by the Chair of the Risk Committee to the Board following each meeting and minutes are provided at the next cycle of meetings. Similar to the Audit Committee, the Risk Committee has documented its terms of reference, and these are reviewed annually by the committee members and the Board.

Key Functions

The main roles and responsibilities of the key functions are as follows:

Compliance

- Ensure the Company is kept up to date with the CBOI's compliance standards;
- Obtain the approval of the Board of Directors for policy statements on compliance with the Regulations, with the requirements of the CBOI and with any other applicable legislation; and
- Monitor the implementation of compliance procedures and to report periodically to the Board of Directors thereon.

Actuarial

- Review of the reliability and adequacy of the calculation of technical provisions, including the appropriateness of methodologies adopted and the sufficiency and quality of data used;
- Comparison of best estimates against experience;
- Express an opinion on the Company's overall underwriting policy;
- Express an opinion on the adequacy of reinsurance arrangements; and
- Contribute to the effective implementation of the Company's risk management system.

Internal Audit

- Review and assess compliance with, and the efficacy of, the Company's governance arrangements, operational procedures and internal controls;
- Report to the Audit Committee on scope of work to be carried out and subsequent findings and recommendations; and
- Check to ensure that any agreed recommendations arising from internal audit reviews are implemented by the Company.

Risk Management

- Monitoring and managing the risks to which the Company is exposed;
- Reporting into the Risk Committee and Board on the Company's risks and the processes established to identify and manage risks;
- Ensuring that risk management is well integrated into the organisation structure of the Company and its decision making processes; and
- Reporting to the Board through the Risk Committee on the current status of any risks identified which need to be brought to their attention.

The Board ensures that the function holders have the necessary authority, resources and operational independence to carry out their tasks. This is achieved by ensuring clear documented terms of reference, policies and procedures are in place and agreed by all parties, and by having an open communication channel between the Board, the sub-committees and the function holders. The Company's size and straightforward structure also facilitates timely and efficient reporting by the function holders to the Board.

Remuneration

In accordance with the Company's documented remuneration policy, employee remuneration is established by reference to Irish market rates and terms and conditions of employment are set out in a documented employment contract, signed by both parties.

Directors who are not employees of the Company but who are employed by another group company or the Management Services Provider receive no remuneration for the performance of their duties as Directors. Independent Non-Executive Directors receive remuneration based on Irish market standard rates. All Directors receive a letter of appointment setting out the terms and conditions of their role. Directors are entitled to the reimbursement of normal business expenses associated with their travel to the Company's main place of business for the purpose of discharging their duties as Directors.

Changes and Material Transactions

There have been no material changes to the Company's system of Governance during the reporting period. The Company did not enter into any material transactions with members of the Board of Directors.

B.2 Fit and proper requirements

The Company acknowledges its responsibilities with respect to ensuring the fitness and probity of those individuals carrying out controlled functions on its behalf. The relevant Pre-approval Controlled Functions (PCF) applicable to the Company have been identified and the individuals being proposed for a PCF role will be subject to the appropriate level of due diligence in order for the Company to confirm that they are:

- (a) competent and capable;
- (b) honest, ethical and act with integrity; and
- (c) financially sound.

As part of its Corporate Governance regime the Company has adopted a policy which sets out the minimum operational standards, roles and responsibilities pertaining to Fitness & Probity. All persons proposed for a PCF role must complete an Individual Questionnaire (IQ) providing details on their:

- experience
- qualifications
- reputation and character
- other responsibilities
- shareholding links to the Company

Qualifications and experience are double checked by the Compliance Officer against appropriate support and confirmation is obtained that the individual has no judgements or disqualifications against them. Certification is also provided by the individual that they will abide by the Standards of Fitness & Probity and the Guidance issued by the CBOI. Pending successful completion of these actions, the IQ is reviewed and approved by an existing PCF and submitted to the CBOI for processing and approval.

For each proposed PCF role, including key functions, the Company requires that the individual being proposed has the skills, knowledge and expertise commensurate with the role. This is assessed both in terms of the requirements for specific individual functions and also in terms of the composite when looking at the make-up of the overall Board. For functions which require specific qualifications or skills e.g. actuarial, only individuals who possess the necessary qualifications and experience in that field will be considered for the role. The Fitness & Probity of function holders is re-assessed on an annual basis.

B.3 Risk management system including the own risk and solvency assessment

The Company has taken appropriate actions in order to:

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

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

Roles and Responsibilities

The Board of Directors acknowledges its responsibility to establish a risk management system and have appointed a Chief Risk Officer ('CRO') who is responsible for carrying out the Risk Management Function and ensuring that the risk management system is implemented and well-integrated into the organisation structure of the Company and its decision-making processes.

Risk Management System

The Company's strategy towards risk is set out in its documented Risk Appetite Statement and supporting Risk Policies. These are reviewed by the Board on an annual basis or in the event of a material change in circumstances for the Company or the environment in which it operates.

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

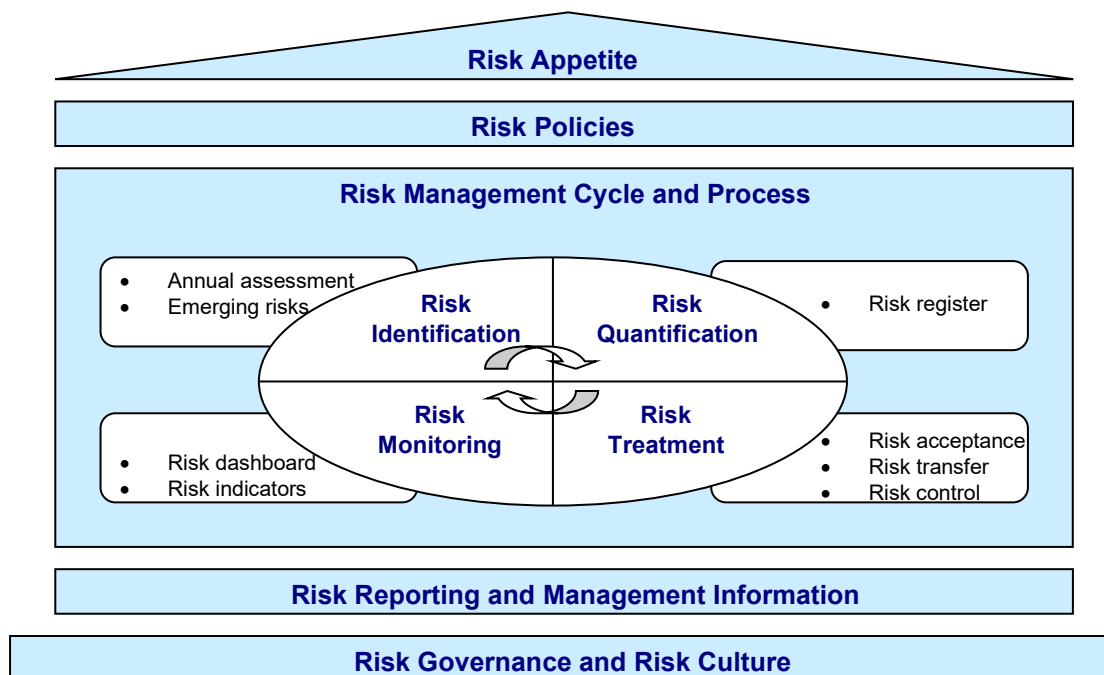
- the Company's overall philosophy to risk taking and the expectations of shareholders;
- the Company's tolerance to loss of capital, profit volatility and other specified measures; and
- the risk limits that are acceptable in terms of exposures to different types of risk.

In addition to its financial results, the Company's performance is measured on a quarterly basis in terms of its compliance with the adopted Risk Appetite. A 'heat-map' reporting system is used to clearly illustrate where risks are within appetite or where various trigger levels have been breached and the appropriate escalation procedures followed.

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The Company's risk management system is illustrated as follows:



Risks are categorised into five groups based on the interpretations within SI 485:

- Underwriting risk
- Market risk
- Credit risk
- Liquidity risk
- Operational risk

The key risks to which the Company is exposed have been identified by the Chief Risk Officer, agreed by the Board and are re-assessed and validated annually in terms of the Company's risk appetite and tolerance within the context of future strategy. A formal risk register has been developed which incorporates the material risks to which the Company is exposed, together with the mitigating controls and a residual risk score reflecting both the likelihood and impact severity for each risk. The register is reviewed by the CRO and Risk Committee at each Risk Committee meeting. Each identified risk has an owner assigned to it who is responsible for taking any action or implementing any changes identified by the CRO. Any such actions/changes are recorded in the Risk Committee minutes and are reported by the Committee Chair to the Board at the next scheduled Board meeting.

The Board of Directors has delegated the responsibility for reporting on compliance with the triggers established in the risk appetite and the performance of the internal control framework to the CRO who utilises management information supplied by the Management Services Provider.

An escalation mechanism is in place to ensure the timely reporting of breaches in triggers to the appropriate body. Reporting of management information on all key risks takes place at each Risk Committee and Board meeting. All management information shall be:

- timely;
- validated;
- comprehensive;
- reliable; and
- presented in a manner that highlights any relevant issues.

Underpinning the risk management system is a governance framework and an organisational culture which embodies a high standard of accountability and ownership.

With respect to the management of risks identified in the Risk Appetite Statement and risk register, the following policies have been established by the Board:

- Conflicts of Interest
- Compliance
- Outsourcing
- Fitness and probity
- Underwriting and reserving
- Reporting of corporate governance deviations
- IT systems
- Remuneration
- Investment, liquidity and asset /liability management
- Own Risk and Solvency Assessment
- Capital management
- Internal Control
- Internal Audit
- Retrocession
- Reporting and disclosure
- General Data Protection Regulations
- Succession
- Diversity

Review

The established risk management system is reviewed on an annual basis. The review will take into account the results of the Company's annual Own Risk and Solvency Assessment and the insights gained during the performance of this assessment. Any proposed amendments/enhancements will be presented for approval by the Board at their final board meeting of each financial year. The review will be carried out by the Management Services Provider, under the direction of the CRO, against the criteria of:

- Appropriateness
- Adequacy
- Relevance
- Transparency
- Accountability
- Legal/Regulatory Compliance

Own Risk and Solvency Assessment ('ORSA')

The key stakeholders and their relevant responsibilities with respect to the Company's ORSA are set out below:

The Board of Directors					
- Approve ORSA Policy and review annually for applicability - Implement business strategy in conjunction with parent company - Establish risk appetite and tolerances - Identify relevant stresses and scenarios for use in capital calculations - Reinsurance planning and structuring - Investment policy and asset allocation - Challenge the ORSA assumptions and findings - Consider and assess the output from the ORSA processes and then develop the appropriate responses for the Company - Sign-off on ORSA prior to submission to the Central Bank of Ireland - Embed the ORSA as part of the Company's decision making process					
Shareholder	Chief Risk Officer (CRO)	Chief Executive Officer (CEO)	Management Services Provider (MSP)	Actuarial Function (HoAF)	Internal Audit
- Set overall business strategy - Budgeting and business planning - Provide input into stress and scenario analysis	- Manage stress and scenario testing - Oversee the setting of the risk appetite and tolerances	- Manage ORSA process - Oversee work of Management Services Provider in respect of the ORSA	- Profit & Loss account and Balance Sheet projections - Capital calculations - Conduct stress and scenario testing - Documentation and reporting	- Provide input into stress and scenario analysis - Provide opinion on ORSA process	Consider review of the ORSA as part of their schedule of work

In line with the Company's documented ORSA policy and assuming business-as-usual conditions, the ORSA is performed on an annual basis, typically during the fourth quarter of the Company's financial year, so that the findings can be discussed and approved by the Board of Directors and reported to the CBOI prior to the financial year-end. A more frequent ORSA is generally not deemed necessary due to the straightforward nature of the Company's activities and risk profile and the fact that the Company's financial position and solvency needs are not subject to significant volatility. The calendar of annual ORSA activities, by reference to the Company's financial year (31 October), is as follows:

Process Step	Description	Responsibilities	Timeframe
Step 1	Review of the documented policy and process as to how the forward looking assessment is to be performed, by whom, how often and what is involved ('the ORSA policy'). Review of the Company's governance structure and risk management framework.	Board	Quarter 1 as part of annual cycle of Corporate Governance Manual review
Step 2	3-year financial business planning, considering relevant parameters (premium levels/products/expenses/claims/investment strategy)	MSP working with CRO / CEO / Shareholder to define business plan assumptions	Quarter 4

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- application of stresses and scenarios across the projection period which are based on the key risk drivers for the Company (taken from risk appetite statement);
- consideration of a reverse stress scenario which includes a set of circumstances which could cause the business to fail;
- review of the output by the Board and refinement and recalculation to take account of alternative scenarios; and
- determination by the Board of a threshold level of solvency capital coverage appropriate for the Company's own needs over the planning period with a lower trigger set as a review point to determine whether the contributing circumstances indicate that a capital injection is required. These capital coverage levels have been incorporated into the Company's Risk Appetite Statement.

B.4 Internal control system

Internal control system

The Company has established and documented an appropriate system of internal control which satisfies the following objectives:

- Operational risks are identified and effectively managed
- Key processes and activities are documented
- Assets are safeguarded
- The reliability and integrity of financial information is maintained consistently
- Compliance with Company policies, procedures, applicable laws and regulation is achieved

All accounting and expense transactional procedures of the Company are fully documented and maintained in a procedures document which forms part of the Company's permanent files. This document is updated on an annual basis by the Management Services Provider to ensure accuracy and on-going relevance and is presented to the Board.

An Operational Risk Assessment and Control Framework has been established for the Company. This reflects the operational risks which have been identified by the Risk Management Function and agreed by the Risk Committee as relevant to the Company's operations; together with the activities and internal processes in place for managing those risks. On a quarterly basis, compliance against this framework is documented in a log. At each Risk Committee meeting, the most recent quarterly completed Operational Controls Log is presented to the Committee for review. The appropriateness of this framework will be re-assessed by the Risk Committee on an annual basis and reported to the Board as required. The risk tolerance limit for operational risk and the breach escalation process is included within the Company's Risk Appetite Statement.

Controls established reflect the following principles:

- Segregation of duties
- Authorisation and approval
- Custodial; and security arrangements
- Timely and accurate review and reconciliation

There have been no control issues or weaknesses identified in the reporting period.

Compliance function

The Company is fully committed to compliance with the requirements of the CBOI and all applicable legislation and regulations (collectively known as the Company's 'Compliance Obligations'). In order to ensure that the Company's activities remain within the boundaries of these Compliance Obligations the Board of Directors has outsourced the Head of Compliance Function role for the discharge of the Company's Compliance Function.

In order to demonstrate the Company's ongoing commitment to compliance, a submission is made by the appointed Head of Compliance to the Board of Directors at each Board meeting. This report addresses how the Company is achieving compliance, whether there are any breaches and how such breaches are being rectified.

The Compliance Function is reinforced by a formal framework of compliance checklists which are reviewed by the Head of Compliance, who will then report to the Board on the results of this review at each Board meeting. Compliance action points are considered and addressed by the Board and the considerations recorded in the minutes.

B.5 Internal audit function

The Board has the responsibility to establish and maintain an effective internal audit function which is objective and independent from the Company's operational functions.

The role of Head of Internal Audit (HoIA) is outsourced to Mr. Howard Block, CSI Chartered Accountants Limited. He has been approved by the CBOI to perform this function. His responsibilities are:

- leading the preparation of an annual audit plan for the Company based on a methodical assessment of the Company's risks, governance system and the nature of its activities, including expected developments;
- leading the implementation of the annual internal audit plan;
- directing the work of any outsourced service providers who have been engaged to carry out internal audit testing;
- ensuring that the requirements of the Company's outsourcing policy are complied with for the selection of parties to perform internal audit testing;
- reviewing the output of annual internal audit testing; and
- reporting findings to the Board and the other Key Functions.

The HoIA may also carry out special audit tasks at the request of the Audit Committee/Board where significant breaches in the Company's policies or internal control framework have been identified.

The Board recognises the added value to be derived from internal audit through the review and assessment of compliance with, and the efficacy of, its governance arrangements and operational procedures.

An internal audit plan, comprising a programme of proportionate audits of internal controls, governance arrangements and operational procedures will be developed, implemented and reviewed annually.

The internal audit function is structured according to the following principles:

- the HoIA has the necessary skills and expertise required for the role and meets the Fitness & Probity due diligence criteria;
- the Company has taken appropriate measures to order to mitigate the risk of any conflict of interest within the internal audit function;
- the HoIA does not perform any operational functions for the Company and is free from undue influence by any other key functions;
- the Board shall not place undue influence on the HoIA in the performance of its duties; and
- the internal audit approach shall be proportionate, ensuring that the responsibilities of the function are fulfilled while recognising the small scale of the Company.

The Company recognises the value in seeking external, professional support to conduct internal audits. This is particularly relevant for areas where specialist knowledge is not available in-house and given the size of the Company, to ensure that an independent and objective view is provided. A documented 'Agreement for the Provision of Internal Audit Services' is in place for this function. The HoIA reports directly to the Audit Committee.

B.6 Actuarial function

The position of Head of Actuarial Function (HoAF) for the Company is outsourced to Dr. Dermot Marron, Allied Risk Insurance and Reinsurance Services Limited. He has been approved by the CBOI to perform this function. The outsourcing of this function reflects the fact that, as a reinsurer of specific business relating to the activities of the parent group, the Company does not have the in-house specialist skills required for this function. The engagement of an industry specialist who has the support of a wider team in carrying out their duties is the most efficient approach for the Company. The Board is satisfied that there are no conflicts of interest impacting the HoAF's work.

A documented 'Agreement for the Provision of Actuarial Services' is in place for this function. The HoAF reports directly to the Board.

B.7 Outsourcing

The Company has a documented outsourcing policy which the Board reviews on an annual basis as part of its scheduled review of the Company's CGM. This policy is specific to the Company and outlines its approach to the identification, justification, implementation and management of outsourcing arrangements for any Company function. The policy sets out the operational standards and roles and responsibilities with respect to outsourcing and the approach to be adopted for:

- Business needs analyses
- Due diligence
- Contracts
- Implementation of outsourcing arrangements
- Ongoing monitoring and oversight
- Decommissioning

In line with EIOPA's guidelines on the System of Governance, the following four key functions of the system of governance are deemed critical or important functions and have been identified as such in the Company's outsourcing policy:

- Risk Management
- Internal Audit
- Actuarial
- Compliance

The Actuarial, Compliance and Internal Audit functions are fully outsourced and Risk Management is partially outsourced. In addition, the Company considers Management & Administration (including financial and regulatory reporting) to be a critical and important outsourced function. The Company also engages third party service providers for investment management and tax compliance activities.

Service providers for all these outsourced functions are located in Ireland.

B.8 Any other information

The Board considers that the Company's system of governance is adequate and appropriate for the nature, scale and complexity of the risks associated with the Company's operations. The development of the system of governance, as documented in the Company's CGM and supporting policies, has been carried out in such a manner so as to ensure that the framework, policies and procedures are tailored to the Company's specific risks and are fit for purpose.

The appropriateness of the system of governance is formally reviewed on an annual basis by the Board and documented via the minutes of the meeting at which the updates/changes are approved. Responsibility for ensuring that this review is completed on a timely basis, rests with the Head of Compliance.

No other material information to report.

C. Risk Profile

C.1 Underwriting Risk

The Company is exposed to underwriting risk which can arise from premium pricing being incommensurate with the cover provided or an adverse change in the value of reinsurance liabilities due to inadequate provisioning assumptions.

The Company underwrites reinsurance on a quota share basis in respect of a range of travel and associated assistance risks underwritten by Europ Assistance, the fronting company, on behalf of customers of Alpitour S.p.A. and associated companies. Terms and conditions of such underwriting procedures are set out in a Reinsurance Agreement between the two parties.

The Board formally reviews the need to purchase retrocession on at least an annual basis.

Pricing is determined by reference to:

- Open market / competitor pricing
- Marketing / sales trends in the tourism business
- Cost of administration and operational costs
- Cost of external reinsurance - if any.
- Historical claims experience.

Pricing is monitored each month and reviewed when necessary, following analyses of detailed statistics relating to trends in written premiums and claims to ensure premium income is sufficient to cover expected claims and expenses.

The Company assesses the risk of inadequate provisioning by evaluating the outturn over time of claims settlements against initial provisions.

The current risk profile of the Company and its underlying drivers are well understood and appropriate for the nature of the business and within its risk appetite.

The Company is only accepting the underwriting risk in respect of one quota share reinsurance contract, relating to risks associated with the customers of its parent group. While the original insureds are almost all Italian, differing age profiles, holiday types and the variety of holiday destinations provides diversification of risk. For this reason, the Company is exposed to worldwide risks. The business reinsured comprises high volume / low severity exposures of a very short-tail nature. The policy conditions stipulate varying time limits (from 4 to 10 days) for reporting a claim after the event, depending on the type of claim.

The quota-share reinsurance programme is short tail in nature. The historical pre-COVID loss ratio tended to fall within a band of 50-60%, though in the exceptional time since the outbreak of COVID-19, the loss ratio has varied outside this range, hitting 89% last period, 122% (excluding the retrocession recovery) in 2022 and 156% in 2020. Although claims activity for the current reporting period was still higher than the pre-Covid average, it trended in the right direction and was reflective of a favourable impact to the measures implemented under the new reinsurance arrangement aimed at reducing claims loss ratios to a more satisfactory and manageable level. The run-off of claims under the previous 90% reinsurance arrangement continued to be managed in the period.

Underwriting risk is managed through:

- the adoption of documented controls and policies in relation to the underwriting and reserving processes;
- the setting by the Board of a risk appetite with reporting triggers and limits which are monitored and escalated in accordance with the Company's documented policy;
- the consideration of event losses for the risks it reinsures which can be met through the Company's capital base and/or risk mitigation; and
- the calculation of technical provisions in a prudent manner using appropriate and consistent data.

The Company assesses the adequacy of premium to cover claims and associated expenses through its review of quarterly financial reports and by reviewing the loss and combined ratios at a product level on a monthly basis. Performance against the loss ratio appetite and triggers in the risk appetite

statement is measured on a quarterly basis, reviewed by the Chief Risk Officer and is reported to the Board as required. These review processes ensure that the mechanisms adopted by the Company for the management of underwriting risk are monitored for continuing effectiveness.

As part of the Company's ORSA 2024 process, stress and scenario tests including differing premium volumes, claims experience and/or retrocession, were considered as follows:

- Scenario 1 - The impact of reducing premium volumes on the projected solvency workings was stressed via a sliding scale reduction of 20%, 15% and 10% across years 2025, 2026 and 2027 respectively. Projected claims costs were maintained but the changed premium denominator increased the respective loss ratio for each year to 79%, 75% and 71% in years 2025, 2026 and 2027 compared to the projected 63.5% target.
- Scenario 2 - the impact of higher claims activity on the projected solvency workings was stressed. Annual ratios of 85%, 80% and 75% were stressed in years 2025, 2026 and 2027 respectively.
- Scenario 2.1 – Scenario 2 with no retrocession.
- Scenario 2.2 – Scenario 2 with a stress for a CAT event recovery under a retrocession arrangement in line with the current cover structure of €2m xs €0.5m.
- Scenario 3 - In the current climate of changing interest rates, this scenario stressed the impact on the capital value of the Company's bond portfolio held from an assumed 0.5% rate decrease in years 2025 and 2026, with an assumed 1% increase in 2027.
- Scenario 4 (reverse stress scenario) – The impact of high claims activity in each year of the 3-year projection period 2025 – 2027, which could be significant enough to cause the business to fail, was assessed.

In addition, the Company carried out sensitivity tests showing the impact on profit/ (loss) before tax and shareholders' equity in the financial statements. For each item tested the impact of a change in a single factor is shown, with other assumptions unchanged.

	<u>Pre-tax profit/(loss)</u>		<u>Shareholder's equity</u>	
	2024	2023	2024	2023
	EUR	EUR	EUR	EUR
12.5% increase in loss ratios				
- Gross and net	<u>(2,180,085)</u>	<u>(2,406,942)</u>	<u>(1,907,574)</u>	<u>(2,106,075)</u>
Doubling of Margin for Uncertainty				
- Gross and net	<u>(682,045)</u>	<u>(50,000)</u>	<u>(596,789)</u>	<u>(43,750)</u>

The Company's method for sensitivity testing is consistent for both years.

The Board has taken account of the findings of these stress and sensitivity tests in its decision making.

C.2 Market Risk

The Company is exposed to market risk as part of its business by virtue of:

- Interest rate risk – which may arise due to a mismatch in asset / liability durational matching.
- Concentration risk – where the quantum of an individual asset is such that its impairment would have a significant impact on the Company.
- Spread risk – which can arise from assets held due to changes in credit spreads over the risk free interest rate term structure.

As the claims exposures are short tail in nature, the Company mitigates against interest rate risk by holding sufficient funds in liquid cash in operational bank accounts and through its participation in a Group cash pooling arrangement.

Market risk also arises from the cash pool balance advanced to Alpitour S.p.A., an unrated counterparty. While various scenarios involving the quantum and stressed value of this balance are considered under the Company's ORSA process, the Company is satisfied that the parent group has sufficient liquidity to be in a position to repay the current value of the balance advanced.

Prior to any decision being made to materially change the cash pool amount, the implications on the Company's Solvency Capital Requirement and Minimum Capital Requirement are calculated and assessed to ensure that the proposed action is within appetite.

A risk appetite with appropriate reporting and escalation triggers has been set for the desired credit rating for bonds held by the Company. In addition, a monetary limit has been established for the aggregate cost of bonds to be purchased relative to the Company's overall level of funds available for investment. Within this limit the Company holds a diverse portfolio of corporate bonds and one holding of an Italian government bond. This diversification assists in the management of concentration risk.

In ORSA 2024, a full default of the pool balance held at the end of 2025, was stressed using the Projected Solvency calculation. Although it hit the capital base, regulatory solvency was maintained.

Prudent person principle

The Company has adopted a written investment policy which it reviews on an annual basis. The overall strategic objective of the Company with respect to its investment policy is to preserve principal value and increase the value of investments while covering its technical reserve and solvency capital requirements and meeting its ongoing cash flow needs.

The Board has developed the investment policy having due regard to:

- the Company's solvency needs;
- the nature of the risks being underwritten by the Company;
- the regulatory requirements to match its technical liabilities;
- the expected pay-out patterns for claims;
- market, credit, liquidity, operational and legal risk;
- the need to invest in secure assets;
- asset diversification; and
- settlement risk.

The guiding principles of the policy are as follows:

- To meet all liabilities as they fall due by matching term, nature and currency of investments to the term, nature and currency of the liabilities;
- Investments should be diversified and adequately spread with counterparties that meet the rating criteria specified in the investment policy; and
- To maximise the investment return subject to the constraints imposed.

The Board of Directors, having taken account of those factors set out above, has deemed that funds received by the Company should only be invested according to the following categories:

- Deposits with approved credit institutions within the EU with appropriate diversification across institutions which must carry a minimum rating of A
- Loans to affiliate companies and/or Group pooling scheme
- Government and Corporate bonds in board approved EU countries which have a minimum rating of BBB+, apart from Italian Government bonds which may be held / purchased independently of this rating

The investment policy contains procedures to be followed in the event of an asset downgrade. Minimum credit ratings are prescribed within the policy together with guidelines on currency exposure.

The assets and liabilities of the Company are managed in order to protect it from any materially negative financial consequences arising from changes in interest rates. The profile of the risk underwritten by the Company is such that the majority of claims are paid out within one year from the end of the related underwriting period. For this reason, the Company is not exposed to significant claims inflation and it is therefore considered appropriate to hold a larger portion of funds in liquid cash and to balance this with an appropriately sized and diverse bond portfolio.

C.3 Credit Risk

The primary area of credit risk arises from the net balances due from the fronting insurer, which is unrated. The credit institutions with which the Company places its cash assets are also relevant but these are placed with well-rated credit institutions. These factors have been identified as part of the process for setting the Company's risk appetite and appropriate tolerances and limits have been put in place. Monitoring against pre-determined triggers is carried out by the Risk Committee on a quarterly basis.

The Company's investment policy, described in C2 above, also sets out the criteria for the selection of counterparties for the placement of cash balances.

C.4 Liquidity risk

Approximately 47% of the Company's available funds are held in the cash pool and credit institutions ensuring sufficient cash is on hand to meet claims payments as they fall due and to cover any unexpected cash outflows.

The Board has taken the decision that a further refinement in the matching of claims pay-out and asset maturity patterns is not required given the relatively short tail nature of the business. Thus, the maintenance of available cash is the most appropriate for the nature, scale and complexity of the Company's business.

C.5 Operational risk

Operational risks to which the Company is exposed have been assessed using the Operational Risk Assessment and Control Framework described in Section B4 above. There have been no changes to this approach during the reporting period.

The Company does not consider that it is exposed to material residual risk in this area due to the formality that has been created around the Company's processes and procedures including those for financial and regulatory reporting.

There is no specific risk concentration associated with this category as internal controls include appropriate segregation of duties.

C.6 Other material risks

There are no other material risks to which the Company is exposed.

C.7 Any other information

There are no other items to report in this area.

D. Valuation for Solvency Purposes

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

D.1 Assets

The Company's total assets at 31 October 2024 of EUR19,049,058 (2023: EUR16,672,393) comprise the following items:

	2024	2023
Bonds, Loans and other Bank deposits	EUR 10,916,872	EUR 10,362,826

This category comprises:

- (i) Corporate bonds of EUR6,369,397 (2023: EUR6,059,759) and government bonds of EUR2,368,282 (2023: EUR2,122,156), together with any accrued interest at the balance sheet date. The bonds are measured at fair value using quoted market prices in active markets. For the purposes of the Company's revised financial statements, accrued interest is shown as part of the 'Prepayments and accrued interest' balance;
- (ii) The cash pool balance held with Alpitour S.p.A. at the balance sheet date of EUR2,179,193 (2023: EUR2,180,911) For the purposes of the Company's revised financial statements, accrued interest on the cash pool balance is shown as part of the 'Prepayments and accrued interest' balance.

Reinsurance recoverable	EUR (284,605)	EUR (218,161)
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This amount represents the discounted future cash flows relating to the premium provision for the retrocession cover in place. A nil amount is included in the revised financial statements as all premium for this retrocession policy was earned as at the reporting date. The difference between the two amounts reflects the differing valuation basis.

Insurance and intermediaries' receivables	EUR 2,706,264	EUR 3,197,571
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This amount represents the undiscounted net amount receivable from the fronting insurer at the balance sheet date. No allowance has been made for doubtful debts and the amounts are not considered overdue. The net balance comprises premium less claims payable, claims handling fees and fronting fees. The amounts are presented as separate asset and liability balances in the revised financial statements but have been netted here as right of offset has been confirmed.

Cash and cash equivalents	EUR 5,710,117	EUR 2,954,843
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This category represents the fair value of cash balances held with counterparty banks.

Any other assets, not elsewhere shown	EUR 410	EUR 375,314
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This represents a prepaid expense amount EUR 410 (2023: EUR 410).

Other than:

- the valuation of reinsurance balances on a best estimate basis;
- the netting of debtor receivable and creditor payable balances as outlined above; and
- the inclusion of accrued interest in a different category,

there are no other asset valuation differences between the revised financial statements and the Solvency II values. The revised financial statements have been prepared in accordance with Financial Reporting Standards 102 and 103 (FRS 102 and 103), the requirements of the Companies Acts and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015 (as amended).

Information on how the Company invests its assets and manages risk in this area, including how it achieves compliance with the 'prudent person principle', is set out in Sections C2 – C4 above.

Alpitour Reinsurance Company dac



Operational risks relating to the Company's assets are managed using the Operational Risk Assessment and Control Framework described in Section B4 above.

D.2 Technical provisions

The technical provisions comprise the following amounts by line of business:

	Gross best estimate EUR	Risk margin EUR	Total gross technical provisions EUR	Recoverable from reinsurance contracts EUR	Total net technical provisions EUR
At 31 October 2024					
Medical expense	(668,297)	141,157	(527,140)	(128,067)	(882,367)
Marine, aviation & transport	(570,257)	35,496	(534,761)	(12,842)	(1,310,441)
Legal expense	(410,897)	12,294	(398,602)	(8,192)	(775,168)
Assistance	(1,197,728)	80,001	(1,117,727)	(47,992)	(2,718,471)
Miscellaneous financial loss	5,171,637	249,253	5,420,890	(87,512)	9.940,840
Total	2,324,458	518,201	2,842,659	(284,605)	3,127,264
At 31 October 2023					
Medical expense	(1,186,762)	225,837	(960,925)	(78,558)	(882,367)
Marine, aviation & transport	(1,415,184)	91,851	(1,323,333)	(12,893)	(1,310,441)
Legal expense	(807,448)	25,835	(781,614)	(6,445)	(775,168)
Assistance	(2,929,243)	163,983	(2,765,261)	(46,790)	(2,718,471)
Miscellaneous financial loss	9,266,341	601,025	9,867,366	(73,474)	9.940,840
Total	2,927,793	1,108,530	4,036,233	(218,161)	4,254,394

The line of business analysis used to segment the Company's claims data is consistent with the underlying risks for the reinsurance business being accepted by the Company. Best estimate claims provisions have been calculated based on the expected losses for the reporting period by reference to reported and paid losses and historical experience per each of line of business.

Best estimate premium provisions have also been calculated for business written but not yet inception as at 31 October 2024. The new reinsurance treaty has a duration of 2 years to 31 October 2025 and so, the Company is deemed to be bound to the reinsurance treaty up to 31 October 2025 (i.e. 1 year). Therefore, the associated premiums and claims for next year were considered in the premium provision calculation. Consequently, the best estimate premium provision for 2024 was calculated for the period 2024/2025 on:

- projected premium by line of business;
- expected losses;
- expected expenses to be incurred in servicing the business during the period.

As the business is expected to be profitable, this results in a best estimate which is a negative premium provision (i.e. an asset rather than a liability). The increased premium volume accounted for within the technical provisions drives a higher Solvency Capital Requirement (SCR) charge, but the resultant negative premium provision increases the Company's available capital at period-end.

Best estimates have been adjusted to allow for all possible outcomes through the inclusion of provisions for Events Not in Data (ENID) and the future expenses that will be incurred in servicing the existing reinsurance obligations. The resultant future cash flow projections were then discounted, applying the yield curve published by EIOPA in October 2024.

Given the short duration of the underlying risk period in travel related products the Company considers premium to be earned as it is accepted and as a result there is no unexpired risk, unearned premium or lapse provision at 31 October 2024.

The risk margin represents the cost of holding the capital required to run-off the technical provisions to zero. It is calculated using Method 1 from Guideline 61 of the Solvency II "Guidelines on the valuation of technical provisions".

The material differences between the calculation of **gross** technical provisions for solvency purposes and the revised financial statements is the removal of an explicit margin for uncertainty as calculated by the Head of Actuarial Function, from the revised financial statements booked amount and the addition of the following amounts in the Solvency II calculations:

<i>(Amounts expressed in EUR)</i>	2024	2023
Removal of margin for uncertainty	(682,045)	(1,682,201)
Risk margin on technical provisions	518,201	1,108,530
Provision for expenses in Claims Provision	37,839	52,463
Premium provision for written but not yet incepted business (gross)	(1,604,865)	(2,977,041)
Provision for expenses in Premium provision	132,034	238,021
Discounting of technical provisions	(105,472)	205,298
Total material differences	(1,704,308)	(3,461,301)

In conjunction with actuarial involvement, the Company considers the approach adopted to be appropriate and the resultant calculated technical provisions to be adequate. The main uncertainty in the calculation of the technical provisions relates to the premium provision. Particular sources of uncertainty are (i) the premium volume may differ from those assumed in the valuation of the premium provision; (ii) the realised loss ratio may differ from that assumed in the valuation of the premium provision, and/or (iii) a catastrophe or other large loss event could occur. However, while actual experience can differ from the assumed outcome, the underlying claims are not typically exposed to significant volatility given the nature of the business.

Information on how the Company manages risk in the area of underwriting and reserving is set out in Section C1 above. Operational risks relating to the Company's technical provisions and claims data are managed using the Operational Risk Assessment and Control Framework described in Section B.4.

The Company is satisfied that it has access to sufficient historical claims data on a quarterly and annual basis for the calculation of its technical provisions and that this data is accurate and appropriate for the Company's needs.

Claims data has been compiled in data triangles on a consistent basis for the last 20-year period for each line of business. The Company recognises a limitation in the matching of premiums and claims by line of business to particular underwriting years given the nature of the high volume, low value underlying policies. Losses are attributed to the month in which the claim is registered with the fronting insurer while premiums are attributed to the month of holiday departure.

Claims management processes by the Company and the fronting insurer are appropriate and adequate given the nature of the underlying risks. Significant reporting delays are not experienced.

Adjustments and transitional measures

- The Company does not apply the matching adjustment referred to in Article 77b of Directive 2009/138/EC.
- The Company does not use the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.
- The Company does not apply the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.

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

D.3 Other liabilities

The deferred tax liability of EUR 177,463 (2023: EUR 405,393) represents 12.5% of the Solvency II valuation adjustments to **net** technical provisions.

A balance payable of EUR 39,983 to the retrocessionaire is accounted for.

Other liabilities comprise expense accruals and corporation tax payable of EUR483,355 (2023: EUR 160,946). These amounts are valued on the same basis as used in the revised financial statements and are expected to be settled within one year. The balances have not been discounted and are considered to be the fair value amount.

D.4 Alternative methods for valuation

Due to the fact that there is no quoted market price in active markets for assets which are the same or similar to the Company's cash pool, this is valued at fair value based on the present value of the amount receivable.

D.5 Any other information

There are no other items to report in this area.

E. Capital Management

E.1 Own funds

The primary capital management objectives of the Company are to maintain a strong capital base to support the development of its business and to meet regulatory and solvency capital requirements at all times. It is intended that the Company's capital needs will be met from its existing pool of own funds, coupled with the efficient management of the Company's reinsurance business. Should additional funds be required outside of that, they will be advanced by the shareholder. The Company's documented capital management policy outlines the Company's approach to distributions and its medium term capital management plan. There have been no material changes to this approach from the prior year.

Distributions will only be considered in those circumstances where the Company is deemed to have surplus funds over and above those required for its own solvency needs. Whilst being mindful that the Company is part of a wider Group, it is the Board's responsibility to ultimately determine whether it is appropriate for the Company to declare a dividend to its sole shareholder. In assessing whether or not to declare a dividend, the Board will take account of the financial position of the Company, its Risk Appetite tolerances and limits, its own assessment of its regulatory capital requirements (current and forward looking over a three-year planning horizon) as well as its liquidity position and the prevailing regulatory environment.

At 31 October 2024 and 2023 the Company's revised own funds in Euro were as follows:

	2024 (Revised)	2023
Tier 1 – unrestricted		
- Ordinary share capital	2,500,000	2,500,000
- Other items approved by supervisory authority as basic own funds	2,000,000	2,000,000
- Revised reconciliation reserve	11,005,599	7,549,874
Total revised basic own funds	15,505,599	12,049,874

The revised reconciliation reserve at the end of the current reporting period represents the retained earnings of the Company as adjusted for Solvency II valuation differences, inclusive of future profitability as calculated within the premium provision.

The revised eligible amount of own funds available to cover the Solvency Capital Requirement and Minimum Capital Requirement at 31 October 2024 is EUR15,505,599 of Tier 1 unrestricted funds.

The equity position shown in the Company's financial statements at 31 October 2024 can be reconciled to the basic own funds balance as follows:

<i>(Amounts expressed in EUR)</i>	2024 (Revised)	2023
Shareholder's funds per the FRS revised financial statements	14,263,352	9,212,126
Removal of margin for uncertainty	682,045	1,682,201
Risk margin on technical provisions	(518,201)	(1,108,530)
Provision for expenses in Claims Provision	(37,839)	(52,463)
Premium Provision for written but not yet incepted business (net)	1,316,745	2,754,655
Provision for expenses in Premium Provision	(132,034)	(238,021)
Discounting of technical provisions	108,987	205,298
Net deferred tax liability	(177,456)	(405,393)
Total basic own funds	15,505,599	12,049,874

The most significant reconciling items relate to the different basis of reserving for technical provisions under Solvency II. The margin for uncertainty as actuarially calculated, is deducted from the booked technical provisions within the revised financial statements balance. As a result, the starting point for the calculation of the Solvency II technical provisions is the actuarial best estimate. The inclusion of a risk margin is to ensure that the value of technical provisions is equivalent to the amount (re)insurance undertakings would require in order to take over and meet the Company's reinsurance obligations.

Solvency II also requires the Company to allow for all possible outcomes in setting its technical provisions and not just the reasonably foreseeable. The technical provisions have therefore been adjusted to include a provision for Events Not in Data (ENID) as they pertain to the Company's reinsurance programme.

Inclusion of a provision for written but not yet incepted business has the greatest impact. This reflects the fact the Company is committed to a 2-year reinsurance treaty through to 31 October 2025 and the amount calculated reflects 1 year's expected profitability. A further provision has been included for expenses that will be incurred in servicing this business and the existing reinsurance obligations. The adjustment for discounting is not significant due to the short tail nature of the claims.

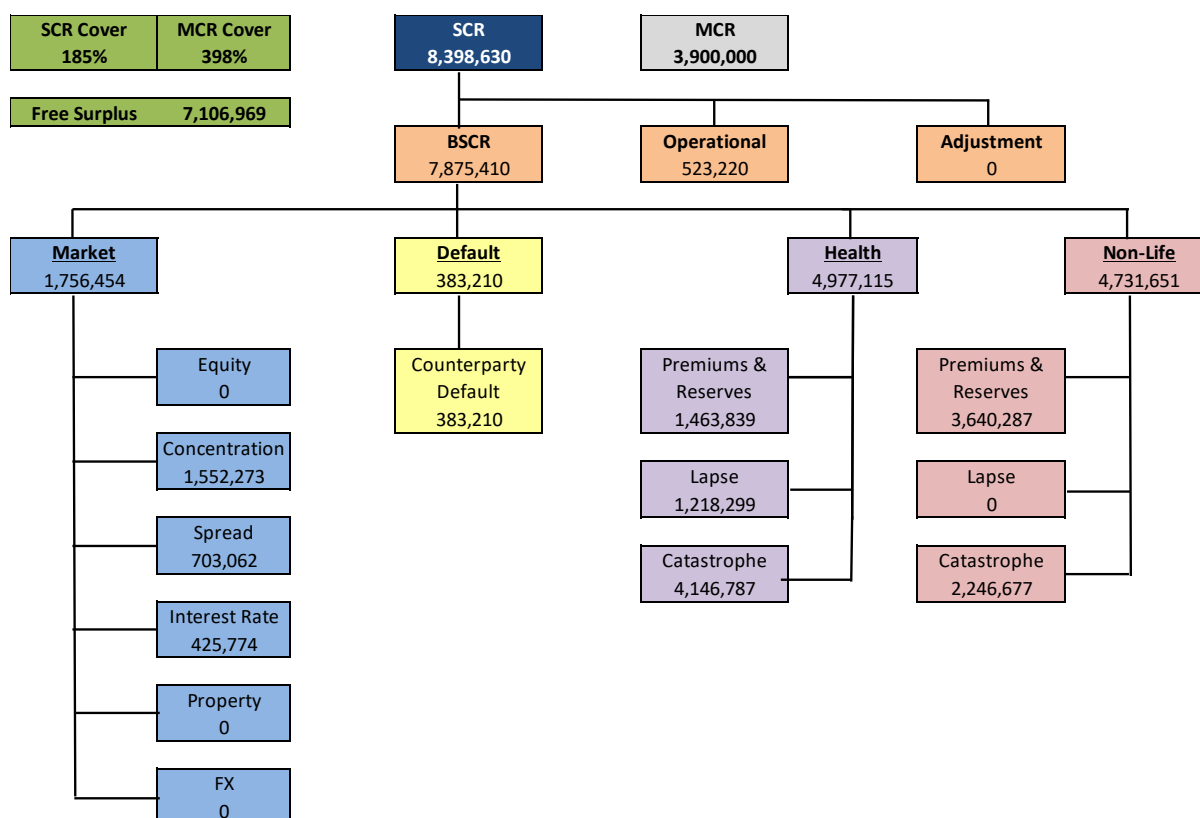
The deferred tax adjustment is calculated at 12.5% of the undiscounted adjustments to the technical provisions.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Company's 31 October 2024 Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) are shown in the table below.

	SCR	MCR
Capital required (EUR)	8,398,630	3,900,000

The SCR has been calculated utilising the standard formula and the analysis by risk module is as follows:



The Company has not utilised undertaking specific parameters.

The MCR is EUR3,900,000 being the absolute floor amount and has been calculated in accordance with Article 248 of the Commission Delegated Regulations (EU) 2015/35 taking into account the calculation at 25% of the SCR and the linear calculation for non-life reinsurance obligations:

Alpitour Reinsurance Company dac

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Minimum Capital Requirement (MCR)					
MCR		3,900,000			
Total MCR NL		2,352,158			
Cap		3,779,383			
Floor		2,099,657			
			Parameters		
			Cap	45%	
			Floor	25%	
			AMCR	3,900,000	
Line of Business	Net Technical Provisions	Net Premium Written	Parameters		MCR NL
			α	β	
Medical Expense	0	7,839,965	5%	5%	368478.3
Marine, Aviation & Transport	0	800,832	10%	14%	112,116
Legal Expenses	0	469,933	11%	7%	31,016
Assistance	0	3,360,327	19%	9%	285,628
Miscellaneous Financial Loss	5,259,149	4,727,198	19%	12%	1,554,920

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Company is not using the duration-based equity risk sub-module in the calculation of its SCR.

E.4 Differences between the standard formula and any internal model used

The Company has only used the standard formula for its capital calculations.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

The Company was compliant with its obligations to meet its Solvency and Minimum Capital Requirements in the period under review and the prior comparative period.

E.6 Any other information

There are no other items to report in this area.

Revised Quantitative Reporting Templates

Annex I**S.02.01.02****Balance sheet****Assets**

Intangible assets

Deferred tax assets

Pension benefit surplus

Property, plant & equipment held for own use

Investments (other than assets held for index-linked and unit-linked contracts)

Property (other than for own use)

Holdings in related undertakings, including participations

Equities

Equities - listed

Equities - unlisted

Bonds

Government Bonds

Corporate Bonds

Structured notes

Collateralised securities

Collective Investments Undertakings

Derivatives

Deposits other than cash equivalents

Other investments

Assets held for index-linked and unit-linked contracts

Loans and mortgages

Loans on policies

Loans and mortgages to individuals

Other loans and mortgages

Reinsurance recoverables from:

Non-life and health similar to non-life

Non-life excluding health

Health similar to non-life

Life and health similar to life, excluding health and index-linked and unit-linked

Health similar to life

Life excluding health and index-linked and unit-linked

Life index-linked and unit-linked

Deposits to cedants

Insurance and intermediaries receivables

Reinsurance receivables

Receivables (trade, not insurance)

Own shares (held directly)

Amounts due in respect of own fund items or initial fund called up but not yet paid in

Cash and cash equivalents

Any other assets, not elsewhere shown

Total assets

	Solvency II value
	C0010
R0030	
R0040	
R0050	
R0060	
R0070	8,738
R0080	
R0090	
R0100	
R0110	
R0120	
R0130	8,738
R0140	2,368
R0150	6,369
R0160	
R0170	
R0180	
R0190	
R0200	
R0210	
R0220	
R0230	2,179
R0240	
R0250	
R0260	2,179
R0270	-285
R0280	-285
R0290	-157
R0300	-128
R0310	
R0320	
R0330	
R0340	
R0350	
R0360	2,706
R0370	
R0380	
R0390	
R0400	
R0410	5,710
R0420	0
R0500	19,049

Annex I**S.02.01.02****Balance sheet****Liabilities**

Technical provisions – non-life

Technical provisions – non-life (excluding health)

Technical provisions calculated as a whole

Best Estimate

Risk margin

Technical provisions - health (similar to non-life)

Technical provisions calculated as a whole

Best Estimate

Risk margin

Technical provisions - life (excluding index-linked and unit-linked)

Technical provisions - health (similar to life)

Technical provisions calculated as a whole

Best Estimate

Risk margin

Technical provisions – life (excluding health and index-linked and unit-linked)

Technical provisions calculated as a whole

Best Estimate

Risk margin

Technical provisions – index-linked and unit-linked

Technical provisions calculated as a whole

Best Estimate

Risk margin

Contingent liabilities

Provisions other than technical provisions

Pension benefit obligations

Deposits from reinsurers

Deferred tax liabilities

Derivatives

Debts owed to credit institutions

Financial liabilities other than debts owed to credit institutions

Insurance & intermediaries payables

Reinsurance payables

Payables (trade, not insurance)

Subordinated liabilities

Subordinated liabilities not in Basic Own Funds

Subordinated liabilities in Basic Own Funds

Any other liabilities, not elsewhere shown

Total liabilities**Excess of assets over liabilities**

	Solvency II value
	C0010
R0510	2,843
R0520	3,370
R0530	
R0540	2,993
R0550	377
R0560	-527
R0570	
R0580	-668
R0590	141
R0600	
R0610	
R0620	
R0630	
R0640	
R0650	
R0660	
R0670	
R0680	
R0690	
R0700	
R0710	
R0720	
R0740	
R0750	
R0760	
R0770	
R0780	177
R0790	
R0800	
R0810	
R0820	
R0830	40
R0840	
R0850	
R0860	
R0870	
R0880	483
R0900	3,543
R1000	15,506

Annex I
S.04.05.21
Premiums, claims and expenses by country

Home country: Non-life insurance and reinsurance obligations						
	Home Country	Top 5 countries: non-life				
		C0011	C0012	C0013	C0014	C0015
R0010		IT				
	C0010	C0020	C0021	C0022	C0023	C0024
Premiums written (gross)						
Gross Written Premium (direct)	R0020					
Gross Written Premium (proportional reinsurance)	R0021	17,441				
Gross Written Premium (non-proportional reinsurance)	R0022					
Premiums earned (gross)						
Gross Earned Premium (direct)	R0030					
Gross Earned Premium (proportional reinsurance)	R0031	17,441				
Gross Earned Premium (non-proportional reinsurance)	R0032					
Claims incurred (gross)						
Claims incurred (direct)	R0040					
Claims incurred (proportional reinsurance)	R0041	9,948				
Claims incurred (non-proportional reinsurance)	R0042					
Expenses incurred (gross)						
Gross Expenses Incurred (direct)	R0050					
Gross Expenses Incurred (proportional reinsurance)	R0051	372	1,901			
Gross Expenses Incurred (non-proportional reinsurance)	R0052					

Annex I

S.05.01.02

Premiums, claims and expenses by line of business

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)					Total
	Medical expense insurance	Marine, aviation and transport insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	
	C0010	C0060	C0100	C0110	C0120	C0200
Premiums written						
Gross - Direct Business	R0110					
Gross - Proportional reinsurance accepted	R0120	7,950	812	477	3,408	4,794
Gross - Non-proportional reinsurance accepted	R0130					
Reinsurers' share	R0140	111	11	7	47	67
Net	R0200	7,840	801	470	3,360	4,727
Premiums earned						
Gross - Direct Business	R0210					
Gross - Proportional reinsurance accepted	R0220	7,950	812	477	3,408	4,794
Gross - Non-proportional reinsurance accepted	R0230					
Reinsurers' share	R0240	111	11	7	47	67
Net	R0300	7,840	801	470	3,360	4,727
Claims incurred						
Gross - Direct Business	R0310					
Gross - Proportional reinsurance accepted	R0320	2,195	-52	3	813	6,989
Gross - Non-proportional reinsurance accepted	R0330					
Reinsurers' share	R0340					
Net	R0400	2,195	-52	3	813	6,989
Expenses incurred	R0550	1,068	106	62	447	590
Balance - other technical expenses/income	R1200					
Total expenses	R1300					2,273

Annex I

S.17.01.02

Non-life Technical Provisions

Technical provisions calculated as a whole

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

Technical provisions calculated as a sum of BE and RM

Best estimate

Premium provisions

Gross

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

Net Best Estimate of Premium Provisions

Claims provisions

Gross

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

Net Best Estimate of Claims Provisions

Total Best estimate - gross

Total Best estimate - net

Risk margin

Technical provisions - total

Technical provisions - total

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

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

	Direct business and accepted proportional reinsurance					Total Non-Life obligation
	Medical expense insurance	Marine, aviation and transport insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	
	C0020	C0070	C0110	C0120	C0130	C0180
R0010						
R0050						
R0060	-3,010	-586	-414	-1,615	4,099	-1,526
R0140	-128	-13	-8	-48	-88	-285
R0150	-2,882	-573	-406	-1,567	4,187	-1,241
R0160	2,342	15	3	417	1,072	3,850
R0240						
R0250	2,342	15	3	417	1,072	3,850
R0260	-668	-570	-411	-1,198	5,172	2,324
R0270	-540	-557	-403	-1,150	5,259	2,609
R0280	141	35	12	80	249	518
R0320	-527	-535	-399	-1,118	5,421	2,843
R0330	-128	-13	-8	-48	-88	-285
R0340	-399	-522	-390	-1,070	5,508	3,127

Total Non-Life Business

Z0020	Underwriting year [UWY]
--------------	-------------------------

(absolute amount)

[illegible]

(absolute amount)

(discounted income)												Year end (discounted data)		
Year	Development year											10 & +	C0360	
	C0200	1 C0210	2 C0220	3 C0230	4 C0240	5 C0250	6 C0260	7 C0270	8 C0280	9 C0290				
Prior	R0100												R0100	0
2015	R0160		328	18	7	9	4	4	-1	0			R0160	
2016	R0170	1,317	40	18	11	2	3	-1	-1				R0170	
2017	R0180	1,383	46	25	5	1	-3	-1					R0180	
2018	R0190	-2,570	57	26	4	-5	-4						R0190	
2019	R0200	-2,434	51	36	-6	-4							R0200	
2020	R0210	611	110	-35	-1	3							R0210	3
2021	R0220	496	70	12	9								R0220	8
2022	R0230	5,356	528	340									R0230	336
2023	R0240	5,338	619										R0240	611
2024	R0250	2,932											R0250	2,892
													Total	3,850

Annex I
S.23.01.01
Own funds

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

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

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

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

Deductions

Deductions for participations in financial and credit institutions

Total basic own funds after deductions

Ancillary own funds

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

Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
Other ancillary own funds

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0010	2,500	2,500			
R0030					
R0040					
R0050					
R0070					
R0090					
R0110					
R0130	11,006	11,006			
R0140					
R0160					
R0180	2,000	2,000			
R0220					
R0230					
R0290	15,506	15,506			
R0300					
R0310					
R0320					
R0330					
R0340					
R0350					
R0360					
R0370					
R0390					

Annex I
S.23.01.01
Own funds

Total ancillary own funds

Available and eligible own funds

Total available own funds to meet the SCR

Total available own funds to meet the MCR

Total eligible own funds to meet the SCR

Total eligible own funds to meet the MCR

SCR

MCR

Ratio of Eligible own funds to SCR

Ratio of Eligible own funds to MCR

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0400					
R0500	15,506	15,506			
R0510	15,506	15,506			
R0540	15,506	15,506			
R0550	15,506	15,506			
R0580	8,399				
R0600	3,900				
R0620	184.62%				
R0640	397.58%				

C0060

Reconciliation reserve

Excess of assets over liabilities

Own shares (held directly and indirectly)

Foreseeable dividends, distributions and charges

Other basic own fund items

Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

Reconciliation reserve

Expected profits

Expected profits included in future premiums (EPIFP) - Life business

Expected profits included in future premiums (EPIFP) - Non-life business

Total Expected profits included in future premiums (EPIFP)

R0700	15,506
R0710	
R0720	
R0730	4,500
R0740	
R0760	11,006
R0770	
R0780	5,428
R0790	5,428

Annex I

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

Market risk
Counterparty default risk
Life underwriting risk
Health underwriting risk
Non-life underwriting risk
Diversification
Intangible asset risk
Basic Solvency Capital Requirement

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010	1,756		
R0020	383		
R0030			
R0040	4,977		
R0050	4,732		
R0060	-3,973		
R0070			
R0100	7,875		

Calculation of Solvency Capital Requirement

Operational risk
Loss-absorbing capacity of technical provisions
Loss-absorbing capacity of deferred taxes
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC

Solvency capital requirement excluding capital add-on

Capital add-on already set
of which, capital add-ons already set - Article 37 (1) Type a
of which, capital add-ons already set - Article 37 (1) Type b
of which, capital add-ons already set - Article 37 (1) Type c
of which, capital add-ons already set - Article 37 (1) Type d

Solvency capital requirement

Other information on SCR

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

	C0100
R0130	523
R0140	
R0150	
R0160	
R0200	8,399
R0210	
R0211	
R0212	
R0213	
R0214	
R0220	8,399
R0400	
R0410	
R0420	
R0430	
R0440	

Approach to tax rate

Approach based on average tax rate

	Yes/No
	C0109
R0590	3 - Not applicable as LAC DT is not used (in this case R0600 to R0690 are not applicable)

Calculation of loss absorbing capacity of deferred taxes

LAC DT

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

	LAC DT
	C0130
R0640	
R0650	
R0660	
R0670	
R0680	
R0690	

Annex I

S.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

	MCR components	
	R0010	C0010
MCR _{NL} Result	2,352	
	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	7,840
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	801
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	470
Assistance and proportional reinsurance	R0120	3,360
Miscellaneous financial loss insurance and proportional reinsurance	R0130	4,727
Non-proportional health reinsurance	R0140	
Non-proportional casualty reinsurance	R0150	
Non-proportional marine, aviation and transport reinsurance	R0160	
Non-proportional property reinsurance	R0170	

Linear formula component for life insurance and reinsurance obligations

	C0040
MCR _L Result	R0200

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