DLL RE DAC

SOLVENCY AND FINANCIAL CONDITION REPORT

31ST December 2023

financial solutions partner

Contents

Executive Summary

This is the Solvency and Financial Condition Report (SFCR) of DLL RE Designated Activity Company ("DLL RE" or "the Company") for year ended 31 December 2023.

The SFCR is produced as part of DLL RE's compliance with the reporting requirements under Solvency II. This report covers the business and performance of the Company, its system of governance, risk profile, valuation for solvency purposes and capital management.

Business and Performance
DLL RE DAC operates from its office at 7th Floor, 76 Sir John Rogerson's Quay, Dublin 2. Established in 2005 by De Lage Landen International B.V. ("DLL Group") DLL RE is a non-life reinsurer regulated by the Central Bank of Ireland.

DLL RE's principle activity is to reinsure programs underwritten by insurance companies insuring risks related to assets, leases and financing currently provided by the DLL Group, its subsidiaries and selected vendor partners. The primary strategic objective of DLL RE is to generate non-life underwriting income in a controlled, compliant and sustainable manner via the provision of reinsurance coverage on risks relating to the leasing and financing enterprises of the DLL Group and selected vendor partners.

The Company's financial year runs to 31st December each year and it reports its results in Euro (€). Gross premiums written in 2023 were €30,797k and DLL RE reported a profit of €18,346k for the period. Investment income performed satisfactorily earning €5,643k during the period.

Refer to Section A for further details relating to business and performance.

System of Governance
The Board of Directors is the supervisory and management body of DLL RE and is ultimately responsible for all activities of the Company. It has various governance and control functions in place to monitor and manage the business and to ensure that DLL RE adheres to all applicable laws and regulations at both an Irish and EU level.

Refer to Section B for further details on the Company's system of governance.

Risk Profile
DLL RE is exposed to a wide variety of risks that arise as a result of doing business. The principal risks and uncertainties that the business faces are from non-life underwriting risk, market risk, default risk, operational and other risks. DLL RE has implemented a set of limits and controls to manage these risks.

Refer to Section C for further detail on the Company's risk profile.

Valuation for Solvency Purposes
The Company's financial statements including the balance sheet have been prepared in accordance with FRS 102 and FRS 103.

DLL RE's Solvency II balance sheet is prepared as of December 31. The balance sheet is prepared in compliance with Solvency II Regulations. There are no material changes to the valuation for solvency purposes over the reporting period.

Refer to Section D for further detail on valuation for Solvency purposes.

Capital Management
DLL RE manages its capital base to achieve a prudent balance between maintaining capital ratios to support business growth, maintaining capital in line with Solvency Capital Requirements (SCR) and delivering acceptable returns.

The Company applies the Standard Formula approach in calculating the Solvency Capital Requirement.

At the end of the reporting period the Company has own funds of €96,358k compared to a solvency capital requirement of €50,945k and a minimum capital requirement (MCR) of €12,736k. The SCR ratio of the company is 189.14% and MCR ratio is 756.56%. The Company was compliant with Solvency II capital requirements throughout the year.

Refer to Section E for further detail on Capital Management.

Any Other Information

Business Update
DLL RE experienced strong growth during the year notwithstanding escalating geopolitical tensions, disruptions to the energy sector, supply chain issues, high interest rates and high inflation.

The impact of rising interest rates has been twofold. Firstly, the higher interest rates globally have led to increased borrowing costs. Secondly, there is a reduced level of return premiums as lessees are holding onto their assets for longer periods. Notably, the rise in interest rates, driven primarily by USD and EUR currencies, has resulted in €5,643k in interest income for DLL RE as of December 31, 2023.

Higher inflation rates have increased the cost of assets, parts, labour etc. leading to claims inflation and the risk of inadequate claims reserves and impaired program profitability. DLL RE has monitored programs throughout the year and has made appropriate inflation assumptions in its reserving process and incorporated robust scenario analyses in the ORSA and key planning processes.

During the year there was a significant release in provisions in the Motor Vehicle Liability segment and the overall claims experience across all other segments was favorable. The Company continues to be mindful of claim reporting delays on certain programs and potential claims inflation. A prudent approach to claims reserving has been maintained for the period.

In the Other Motor and Miscellaneous Financial Loss segments there was no adverse program performance experienced for the programs supported by DLL RE offering flexible terms and conditions during the Covid-19 moratorium period.

Finally, DLL RE will fall into scope under Pillar 2 of the OECD Tax Policy Reform Framework with the main change to corporation tax being an increase from 12.5% to 15% (2024 onwards) this is incorporated into future year projections.

Events since the end of the financial year
There have been no events since the end of the financial year that require disclosure in or amendment to these financial statements.

Climate Change Risk

The directors recognise that climate change poses a risk to both the Company and its stakeholders. In line with regulatory and DLL Group expectations, the Company continues to develop processes and controls proportionate to the nature and scale of the business. The directors will continue to monitor the potential impact of climate change on operations and implement mitigating solutions when required.

Going concern

The Directors have reasonable expectations, having made appropriate enquiries that DLL RE has adequate resources to continue in operational existence for the foreseeable future. The Directors have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue. In making this assessment the directors considered the potential impact of Covid-19 as well as geopolitical issues. The directors do not consider either to impair the financial capacity of the Company.

For this reason, they continue to adopt the going concern basis or preparation in preparing the financial statements.

A. Business and Performance

A.1 Business

A.1.1 Name and legal form of the undertaking

DLL RE is a non-life reinsurance company limited by shares. The Company's operating address and registered office is:

DLL RE Designated Activity Company,
7th Floor,
76 Sir John Rogerson's Quay,
Dublin 2.

A.1.2 Name of Supervisory Authority

The Central Bank of Ireland ("CBI") is responsible for financial supervision of the Company. The CBI's address is:

Central Bank of Ireland,
New Wapping Street,
North Wall Quay,
PO Box 559,
Dublin 1.

A.1.3 Name and contact details of external auditor

The name and contact details of the Company's external auditor is:

PricewaterhouseCoopers,
Chartered Accountants and Statutory Audit Firm,
One Spencer Dock,
North Wall Quay,
Dublin 1.

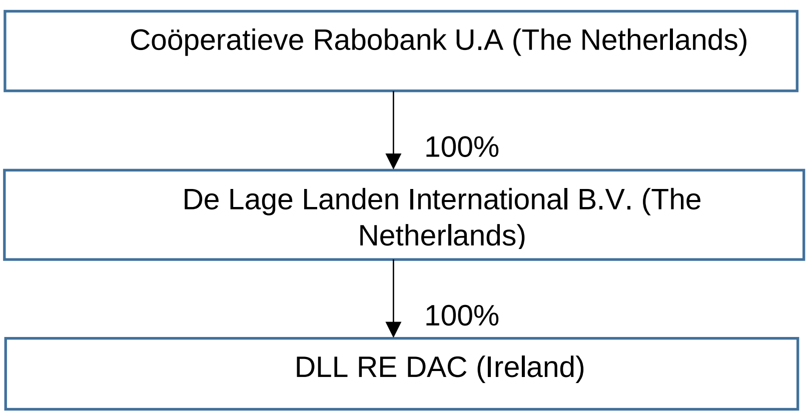
A.1.4 Holders of qualifying holdings in the undertaking

The Company is a 100% subsidiary of:

De Lage Landen International B.V.
Vestdijk 51,
5611 CA, Eindhoven,
The Netherlands.

A.1.5 Details of the undertaking's position within the legal structure of the group

The ultimate holding Company is Coöperatieve Rabobank U.A. based in The Netherlands. The ownership structure of DLL RE is listed below:



A.1.6 Material Lines of business and material geographical area where it carries out business

The material lines of business are Physical Damage, Motor Third Party Liability and Miscellaneous Financial Loss.

DLL RE has reinsurance risks located as follows:

- **Europe:** Sweden, Norway, Denmark, Finland, the Netherlands, Belgium, UK, France, Germany, Spain, Italy.
- **North America:** United States and Canada
- **South America:** Brazil (run-off 31 July 2021)
- **Australia:** Australia

A.1.7 Significant business or other events occurring over the reporting period

The significant events that have occurred in the reporting period are as follows:

- Local stakeholders implemented a program price increase for new business in the Other Motor segment, effective from January 3, 2023.
- The Company increased its participation share in two Physical Damage insurance programs located in the U.S.A. in the Other Motor segment and the Fire and other damage to property insurance segment effective 1 August 2023.
- The Company benefitted from commission and brokerage expense reductions relating to programs in the Other Motor and Fire and other damage to property insurance segments.
- No new programs were underwritten in 2023.

A.2 Performance from Underwriting Activities

DLL RE operates as a non-life reinsurance business, reinsuring programs underwritten by insurance companies insuring risks related to assets, leases and financing currently provided by the DLL Group, its subsidiaries and selected vendor partners. The DLL Group is a global provider of asset-based financial solutions working across key industries: Agriculture, Food, Healthcare, Clean Technology, Transportation, Construction, Industrial Equipment, Office Equipment and Software and Technology.

DLL RE works together with a range of brokers, insurers (investment grade) and the DLL Insurance Department (Product Overlay). DLL RE has seven active programs and has a wide geographical presence with reinsurance risks located in four continents.

An analysis of underwriting performance is provided for the years 2023 and 2022 below.

Financial Performance (all amounts in k €)	Other Motor Insurance		Miscellaneous Financial Loss		Fire and other damage to property insurance		Motor Vehicle Liability Insurance		Income Protection Insurance		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net Written Premiums	24,849	22,506	1,582	1,200	4,366	4,241	0	0	0	0	30,797	27,947
Change in Provision for Unearned Premiums	-6,670	-4,889	-40	74	-118	-141	0	0	0	0	-6,828	-4,956
Net Earned Premiums	18,179	17,616	1,541	1,275	4,249	4,100	0	0	0	0	23,969	22,991
Net Claims Incurred	-5,466	-6,954	-286	157	-1,144	-1,868	2,076	0	50	0	-4,770	-8,664
Commission Expenses	-2,380	-2,378	-263	-202	-207	-246	0	0	0	0	-2,851	-2,826
Net Underwriting Income	**10,333**	**8,285**	**992**	**1,230**	**2,897**	**1,986**	**2,076**	**0**	**50**	**0**	**16,348**	**11,501**

The Company recorded a strong underwriting performance for the financial year-end 2023. The technical result for the Company as per the audited financial statements was €16,348k (€11,501k in 2022).

An analysis of underwriting performance split into Non-European and European is provided for the years 2023 and 2022.

Financial Performance (all amounts in k €)	2023			2022		
	Non EU	EU	Total	Non EU	EU	Total
Net Written Premiums	24,831	5,966	30,797	21,996	5,951	27,947
Change in Provision for Unearned Premiums	-6,975	147	-6,828	-4,795	-161	-4,956
Net Earned Premiums	17,856	6,112	23,968	17,201	5,790	22,991
Net Claims Incurred	-5,668	898	-4,770	-7,241	-1,424	-8,664
Written Premiums ceded to reinsurer	0	0	0	0	0	0
Commission Expenses	-1,800	-1,051	-2,851	-1,925	-900	-2,826
Net Underwriting Income	**10,388**	**5,959**	**16,347**	**8,035**	**3,466**	**11,501**

A.3 Performance from Investment Activities

DLL RE manages its assets in a sound and prudent manner. DLL RE investment's comprises a mix of cash and deposits. DLL RE holds assets which adequately cover technical reserves and the required solvency margin. The Company's investment strategy is conservative in nature and DLL RE aims to maximise its returns subject to agreed risk constraints.

It is DLL RE's policy to maintain investments in:

- Separate cash deposits internally within the Rabobank Group or
- Externally with banks (subject to internal counterparty's approvals).

Any other investments, any new allowable investments or new bank relationships must be pre-approved by the Board. In 2023, the Company made an interest income of €5,643k.

The performance for Investment Activities is summarized below:

Investment Income **€'000**	**2023**	**2022**
Interest income from financial assets not at fair value through P&L	5,643	802
Total	**5,643**	**802**

The result for Cash and Cash Equivalents is summarized below:

Cash and cash equivalents **€'000**	**2023**	**2022**
Cash at bank	16,894	64,167
Short term deposits with Rabobank	3,986	3,127
Total	**20,880**	**67,294**

A.4 Operating/other expenses

DLL RE's operating expenses consist of commissions, brokerage and other operating expenses. Other operating expenses include salaries and general operating expenses.

The breakdown of administrative expenses is summarised below.

Administration Expenses €'000	2023	2022
Commission	1,749	1,714
Brokerage	1,102	1,111
Other Operating expenses	1,023	1,936
Total	**3,874**	**4,761**

A5. Any other disclosures

There have been no further material developments regarding the business and performance of the Company during the reporting period.

B. System of Governance

B.1 General Information on the System of Governance

B.1.1 Roles and responsibilities of the Board and Committees

The Board

The Company is classified as a Low-Risk Impact firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM (Probability Risk and Impact System). The Company is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

In accordance with the stipulated criteria of the Central Bank of Ireland, the Board of DLL RE is of sufficient size, composition and expertise to oversee adequately the Company's operations. The Board is the supervisory and management body of DLL RE and is ultimately responsible for all activities of the Company. It ensures that DLL RE adheres to all applicable laws and regulations at both an Irish and EU level.

The Board is responsible for, and maintains oversight of, the daily activities undertaken by the local management team. This oversight includes the selection and appointment of individuals demonstrating sufficient knowledge, integrity and competence to execute the daily activities of the Company. The Company's management team, located in the registered offices of DLL RE, consists of a General Manager, a Business Development Underwriter, Financial Controller and a Reinsurance Technician.

The membership of the Board of Directors is as follows:

Fergal O'Mongain: Non-Executive Director / Chairman
Olivia Allen: Executive Director
Brendan Malley: Non-Executive Director
Philip Doyle: Independent Non-Executive Director
Andre Matthijssen: Independent Non-Executive Director
Steve Blake: Non-Executive Director appointed 01 June 2023
Jan van der Zee: Non-Executive Director retired from the Board on 31 May 2023.

A suite of policy documentation and checklists supports the corporate governance regime of the business ensuring robust procedures and a strong internal control environment at all times. Oversight controls around key business processes and outsourced activities are a focus of the work undertaken by the Internal Audit function.

The Board of Directors also undertakes completion of an annual Board performance questionnaire. The results of the questionnaire are tabled at the next Board meeting for discussion and consideration.

The Board of the Company has delegated certain functional tasks and authority resulting from the Board's roles and responsibilities to executive members. The standing Committees of the Company are the Audit Committee and the Risk Committee, both of which include significant Board Member representation. These Committees are in compliance with the directives of the Central Bank of Ireland.

The Risk Committee

The purpose of the DLL RE Risk Committee is to make decisions on reinsurance programs, new business applications and on proposed material changes in existing programs and to assist the Board of DLL RE in making decisions on the company's current risk appetite, risk exposures and future risk strategy, the company's proposed strategic solvency targets and the integrity of the company's risk management framework. The Risk Committee has authority to approve business that falls within the scope of DLL RE's risk appetite and underwriting guidelines. The Risk Committee consists of such number of Non-executive and Independent Non-executive Directors as shall be appropriate to the nature, scale and complexity of the business but in any event shall have not less than three Board members. The Chairman of the Risk Committee is a non-executive director or an independent non-executive director.

The membership of the Risk Committee is as follows:

Brendan Malley (Chairman)
Philip Doyle
Andre Matthijssen

The Audit Committee

The purpose of the Audit Committee is to assist the Board of DLL RE in fulfilling its oversight responsibilities for the integrity of the company's financial statements, the company's compliance with legal and regulatory requirements and the performance of the company's internal audit function and independent auditors. The Audit Committee consists of three non-executive directors the majority of directors being independent. The membership is sufficient to handle the size and complexity of the business. The Chairperson is an Independent Non-executive Director. Attendance of non-members of the Audit Committee meetings is by invitation. Members of the Audit Committee and its Chairperson shall be appointed by the Board of DLL RE and their membership shall be subject to regular review.

The membership of the Audit Committee is as follows:

Philip Doyle (Chairman)
Brendan Malley
Andre Matthijssen

B.1.2 Material changes in the system of governance during the reporting period

There were no changes to the system of Governance during the reported period.

B.1.3. Remuneration policy of DLL RE

Due to the scale, nature and complexity of the company it does not have its own separate HR department. The HR responsibilities are shared between DLL RE Management and various other areas including DLL Ireland, DLL in Eindhoven and the Management Company. The Board is responsible for ensuring that DLL RE has robust governance arrangements and adequate control mechanisms, including remuneration policies and practices which are consistent with and promote sound and effective risk management and which do not promote excessive risk taking. For this purpose, DLL RE has adopted the Global Remuneration Policy of the DLL Group and is governed by the policies and practices set out in the Global Remuneration Policy of the DLL Group.

B.1.4 Material transactions during the reporting period with shareholders

There were no material transactions during the reporting period.

B.2 Fitness and Probity

Under the Fitness and Probity regime all regulated entities are required to confirm to the Central Bank of Ireland that they have undertaken due diligence in relation to all Pre-Approval Controlled Functions ("PCFs").

The Board of Directors of DLL RE (the "Board") will satisfy itself on reasonable grounds that a person has the necessary qualifications, knowledge and expertise to comply with the Fitness and Probity Standards before appointing that person to a control function position. The Board will not appoint a person to a PCF, until Central Bank has approved the appointment in writing.

The Company has adopted a Fitness and Probity Policy which sets out the due diligence checks that must be performed in accordance with the Central Bank of Ireland's Guidance on Fitness and Probity Standards. The Company recognises the importance and value of the fit and proper requirements and it has a system in place to review the ability, competence, skills and integrity of candidates for a position on the Board or for other Key Functions.

The selection and recruitment process for Key Function Holders (PCF's) is as follows:

- A written job description outlining the duties and responsibilities for the role.
- An assessment of the level of fitness and probity required for the role.
- Advertisement of the position.
- Interview process to match suitable candidates to the specific role.
- Capture fitness and probity due diligence referred to below.
- Upon Central Bank of Ireland approval, letter of appointment issued, and training provided.

The process for assessing the fitness and the probity of the persons in PCF positions is summarised as follows:

- Interview and application.
- The Company conducts its own fitness and probity due diligence before proposing a person for appointment to a PCF. The due diligence required is referenced within the Central Bank of Ireland's Guidance on Fitness and Probity Standards. The following is captured:
  - Evidence of a relevant professional qualification.
  - Confirmation of continuous professional development.
  - Evidence of professional membership of an organisation (where applicable).
  - Reference checks.
  - Review record of previous experience, including a review of curriculum vitae.
  - Record of experience gained outside the State (where applicable) – consider the extent to which the person can demonstrate competency that relates specifically to the function within the State.
  - Review of list of directorships and concurrent responsibilities.
  - Checks are also undertaken with the Regulator, Companies House and a judgment debt check is performed.
  - Signed Fitness and Probity declarations.
  - Individual Questionnaire

- A PCF holder from the Company will review the Individual Questionnaire, complete a declaration on behalf of the Company and submit the Individual Questionnaire to the Central Bank of Ireland for assessment.
- As part of the continuing obligations, annual declarations are sought from all PCF's, each PCF file is reviewed and an annual PCF return is submitted to the Central Bank of Ireland via the online reporting system.

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

B.3.1 Risk Management System

The primary objective of risk management within DLL RE is safeguarding financial stability. By controlling risks, DLL RE reduces the impact on capital and profitability from potentially undesired developments.

The Company is aligned with the DLL Group's risk management system. The Company has developed a set of risk polices to ensure that adequate process and procedures are in place to manage all types of risk. Additionally, DLL RE adopts three lines of defence as follows:

First Line	*Second Line*	*Third Line*
Management of business lines	Risk Governance	Internal Audit
Measures, assesses and controls risks through the day-to-day activities of the business, within the frameworks set by the entity/board.	Provide independent oversight of the first line of defence. Report to Management and Board on risks associated with the company	Sets the internal audit framework. Provides independent assessment of first and second lines of defence.

B.3.2 Implementation of risk management system

Within DLL RE, ultimate responsibility for the risk management rests with the Board of DLL RE who may decide to delegate responsibilities to others, as they feel appropriate. However, such delegation does not absolve them of their responsibility. The DLL RE Board recognizes the specialist nature of reinsurance risk assessment and desires to protect the company by combining internal expertise within the DLL Group with external resources available. Accordingly, the Board has appointed a Chief Risk Officer (CRO) and a DLL RE Risk Committee.

The Chief Risk Officer is responsible for the risk management function and for maintaining and monitoring the effectiveness of the DLL RE's risk management system. The nature, scale and complexity of the DLL RE's operations do not justify a dedicated exclusive CRO function. DLL RE has obtained the prior approval of the Central Bank prior to making this arrangement. The CRO of DLL RE's primary responsibility is to the Board and reports to the Board periodically with direct access to the Chairman of the board. The CRO also attends and reports to the DLL RE Risk committee on a regular basis.

DLL RE's risk identification is carried out by conducting a risk and control self-assessment (RCSA) which can be described as the process of identifying and measuring risks, and of developing and validating strategies to manage them.

The objective of this assessment is to identify risks, using a structured approach. This structured approach includes the following steps: identify risks, assessment of risks using a standardized scoring mechanism, identify controls when required and monitor and report on all risk and control activities. The last two steps ensure that risks are adequately followed up. DLL RE regards risk and control self-assessments as a key element of its Risk Management Framework and will conduct a RCSA on a regular basis.

DLL RE has a written Risk Appetite Statement (RAS) that for the material risks indicates the limits, tolerances of risks DLL RE is willing to take. As part of the RAS a framework is included regarding the approval process of the DLL RE RAS, the monitoring of the performance, breach management as well as annual review of the DLL RE RAS. Reporting on the risk appetite performance is performed on a quarterly basis and includes a forward-looking outlook of the expected development of the risk performance in addition to the current and prior period values. The report is discussed at the DLL RE Risk Committee who meets at least quarterly.

B.3.3 Own Risk and Solvency Assessment (ORSA) Process

The ORSA is a complete quantitative and qualitative solvency and risk assessment of DLL RE. DLL RE has developed its own processes with appropriate and adequate techniques, tailored to fit into its organisational structure and risk management system, and takes into consideration the nature, scale and complexity of the risks inherent to DLL RE as low rated PRISM entity.

The material risks are considered and stress and scenario testing, including reverse stress testing are carried out.

The ORSA process coincides with the Business Planning/Budget/Forecasting process. The ORSA Process commences at the beginning of Quarter 3 of each financial year. Draft results and a draft ORSA Report shall be presented to the DLL RE Board in Quarter 4 and at the same time the Business Plan for the upcoming financial year.

The forward-looking perspective is a key element of ORSA. Whereas quarterly reporting is based on one year of business, the forward-looking perspective within the ORSA reflects the necessity for DLL RE to look beyond this one year horizon in its assessment of how the Medium Term Plan influences the overall solvency needs. The goal of the forward-looking assessment is to demonstrate that DLL RE will remain a going concern and has sufficient funds for the planned business scenario as well as in adverse scenario situations.

B.3.4 Frequency of ORSA

DLL RE shall perform an ORSA annually. A full or partial ORSA shall be performed if any event occurs or is expected to occur such that the risk profile of the Company is or will be materially changed. The ORSA is the responsibility of the DLL RE Board and reviewed annually.

B.3.5 ORSA and Solvency Requirements

DLL RE manages its capital base to achieve a prudent balance between maintaining capital ratios to support business growth, maintaining capital in line with Solvency Capital Requirements and delivering acceptable returns. It is DLL RE’s strategy to only enter into insurance programs that provide an acceptable balance between risk and reward and that enable the Company to further diversify its reinsurance portfolio geographically as well as in type of assets. While it is recognized that all participations carry risk, that risk must not endanger the overall stability of the company. In light of this DLL RE observes the following principles:

- Maintain a solid Solvency Ratio.
- Provide adequate sustainable Return on Capital.

When applying these principles, it is recognized that in any given year a series of individual loss events may occur resulting in losses which will challenge DLL RE’s Return on Capital.

The capital management framework is designed to ensure that DLL RE is capitalised in line with its risk profile and regulatory requirements. The objectives of DLL RE's capital management are to:

- maintain sufficient capital resources to meet minimum regulatory capital requirements in accordance with Solvency II requirements.
- maintain sufficient capital resources to support DLL RE's risk appetite and other capital requirements.
- ensure DLL RE holds capital in excess of minimum requirements to achieve the target capital adequacy ratios set by the Board and to withstand the impact of potential stress events.

Results

The following table summarises the Company's forecast base case SCR position, using the Standard Formula, over a 3-year projection period ending 2025:

Solvency Position	31/12/2022	31/12/2023	31/12/2024	31/12/2025
Eligible Own Funds	76,951,429	100,403,126	114,243,993	128,891,453
SCR	44,856,649	52,893,641	56,496,107	60,862,195
Solvency Margin Cover	171.55%	189.82%	202.22%	211.78%

B.4 Internal Control and Compliance Function

B.4.1 Internal Control System

DLL RE relies heavily on the integrity of information supplied by counterparties. Although DLL RE works with reputable counterparties it must however be recognized that total reliance on the accuracy of counterparty information leaves DLL RE exposed to potential data errors.

The principal control framework for the Company is its controls set at Board level. These controls include the Board approved policies, reports, terms of reference, schedule of matters, and minutes of board meetings. The policies describe the Boards approach to key areas of the business. The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the internal control system.

The Company has established the four key independent control functions required under the Corporate Governance Requirements for Insurance Undertakings - actuarial, internal audit, compliance and risk management. These functions are responsible for providing oversight of and challenge to the business and for providing assurance to the Board in relation to the Company's control framework.

Additionally, DLL RE has an internal control framework in place to evaluate the accuracy of information from counterparties for material DLL RE insurance programs.

This procedure is conducted on a high–level reconciliation basis and will provide the following:

1. A check on the accuracy of premium and claims information from counterparties.
2. A review of claims carried out by way of random selection of claims above a reasonable threshold level.

3. A claims ratio analysis conducted quarterly and provided to the DLL RE Risk Committee for review.

DLL RE in conjunction with DLL Corporate IT have developed a unique DLL RE Database. The purpose of this database is 1) test data accuracy and 2) data extraction for Technical Provisions and other calculation purposes.

B.4.2 Implementation of the compliance function

The Board supports the Compliance Function and shall make available such resource as is necessary. It provides access to all relevant documentation and information from the business for the Compliance Function to fulfil its role.

A Compliance Officer is appointed through a formal outsourcing arrangement with Allied Risk Management Limited who have responsibility for the Compliance Function. The Compliance Officer ensures the Company's continuing compliance in relation to its regulatory and legal obligations. It aims to minimise the risks to the Company of material financial loss or reputational damage arising from the potential failure to comply with legal or regulatory requirements. The Compliance Officer liaises with regulatory bodies and authorities and provides updates on changes in legislation and regulatory requirements.

The Compliance Officer has responsibility for the implementation of the Company's Compliance strategy and effective compliance processes and is responsible for the monitoring, managing and reporting of compliance risks to which the Company is exposed. It ensures that arrangements are sufficiently robust, proportionate, effective and efficient. The Compliance Officer is responsible for identifying and evaluating compliance risk, overseeing the implementation of controls for the risks identified, and monitoring their efficiency through Compliance monitoring.

Compliance auditing occurs to check that the Company is adhering to its obligations. Compliance reports are issued to the Board assessing the effectiveness and adequacy of compliance within the Company. The activities of the Compliance function are subject to periodic reviews by Internal Audit and DLL Group Compliance.

On an ongoing basis, the Compliance Officer strives to ensure that there is an organisational culture in place which promotes a high standard of integrity and regulatory compliance.

B.5 Internal Audit Function

B.5.1. Implementation of the internal audit function

The internal audit function of DLL RE is outsourced to the Internal Audit Department of the DLL Group, with prior approval of the Central Bank of Ireland.

The scope of work of DLL Internal Audit is to provide independent assurance, advice and insights to the Board and management on the quality, efficiency and effectiveness of DLL RE's governance, risk management and internal control systems and processes.

The internal audit function forms part of the Third Line of Defence, is objective and impartial in performing its assignments and is not subject to instructions from the Board when evaluating and reporting on audit results.

Internal Audit discuss their findings with the management team of DLL RE on completion of the audit, they will prepare a written report on each audit assignment. The report is submitted to the DLL RE Management Team for a written management response. The final audit report is submitted to the Audit Committee and the Board of DLL RE with an overall rating.

The Company is on an annual audit cycle as agreed with Internal Audit and approved by the Board.

B.5.2. Independence of the internal audit function

Internal Audit De Lage Landen is an independent internal audit function within the governance structure of De Lage Landen International B.V. It provides assurance regarding the adequacy and efficiency of processes, the related internal control framework and management information. The internal auditor reports to the chair of the DLL RE Audit Committee, which is an independent non-executive director role.

B.6 Actuarial Function

The Actuarial Function is outsourced to KPMG. KPMG's actuaries attend board meetings on a regular basis and receive regular updates on claim activity. The Company's Technical Provisions are subject to an annual review with a report presented detailing the Actuarial Function's Best Estimate claims reserves and Solvency II Technical Provisions.

The responsibilities of the Actuarial Function are in line with guidance from the Central Bank of Ireland and the Society of Actuaries and include but are not limited to implementing/overseeing the following:

- Coordinate and oversee the calculation of technical provisions;
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assess the sufficiency and quality of the data used in the calculation of technical provisions;
- Compare best estimates against experience;
- Inform the administrative, management or supervisory body of the reliability and adequacy of the calculation of technical provisions;
- Express an opinion on the overall underwriting policy;
- Express an opinion on the adequacy of reinsurance arrangements; and
- Contribute to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements and assessment

Additionally, DLL RE utilises the services of an external actuarial company, Barnett Waddingham, who provide DLL RE with quarterly support on actuarial reserving for material lines of business.

B.7 Outsourcing

The Company adheres to the DLL RE Standard on the Management of Outsourcing and Cloud Risk the purpose of which is to establish the requirements for identifying, justifying, and implementing outsourcing arrangements for the Company's critical or important operational functions or activities. This policy has been approved by the Board. The Board ensures that an outsourcing arrangement shall not diminish the Company's ability to fulfil its regulatory obligations.

The Outsourcing Policy sets out the following:

- Definition of outsourcing
- Outsourcing risks
- Risk mitigation
- Board and management responsibility
- Assessment and due diligence on Outsourced Service Provider
- Essential requirements for inclusion in Service Level Agreements
- Management and oversight of Outsourced activities
- Reporting requirements
- Table of Outsourced Service Providers
- Business continuity and contingency planning

The Company only enters into an Outsourcing arrangement where there is a sound commercial basis for doing so and where it can be effectively managed. A full due diligence process is undertaken prior to any final decision being made as to whether to outsource a material business activity. In undertaking this assessment, the Company adheres to the Central Bank of Ireland Notification Process for (Re)/Insurance Undertakings when Outsourcing Critical or Important Function or Activities under Solvency II Regulations.

The Board appointed a member of the management team to act as the designated PCF with responsibility for all outsourced key functions.

The following is a list of the critical or important functions the Company has outsourced and the jurisdiction in which the Outsourced Service Providers are located:

Outsourced Activity	Outsourced Provider	Jurisdiction
Actuarial Function	KPMG	Ireland
Actuarial Services	Barnett Waddingham	UK
Compliance Function	Allied Risk Management Limited	Ireland
Management Accounting	Allied Risk Management Limited	Ireland
Company Secretarial	Allied Risk Management Limited	Ireland
Solvency II Reporting	Allied Risk Management Limited	Ireland
Tax iXBRL Conversion	KPMG	Northern Ireland

The internal audit function of DLL RE is outsourced to the Internal Audit Department of the DLL Group and the Chief Risk Officer function is provided by DLL Integrated Risk. Both roles have approval of the Central Bank of Ireland.

B.8 Assessment of governance and any other disclosure

DLL RE's system of governance is tailored to fit into its organisational structure and risk management system, and takes into consideration the nature, scale and complexity of the risks inherent to DLL RE as low rated PRISM entity.

There is no other material information regarding the system of governance of the Company.

C. Risk Profile

DLL RE is exposed to a wide variety of risks, which have an impact on DLL RE's business objectives. This section describes the main risks to which the Company is exposed through its business.

DLL RE is using the standard formula to quantify its solvency capital requirements (SCR). The table below details the Solvency Capital requirement per risk category.

At year-end 2023 the Company's solvency capital requirement amounted to €50,945k. The graph below shows the BSCR (Basic SCR) before diversification, loss-absorbing capacity of deferred taxes and operational risk. The main components of the risks exposure are non-life underwriting risk (58%), market risk (40%), default risk (<2%) and health risk (<1%).

C.1 Underwriting Risk

C.1.1 Description of the measures to assess underwriting risk

Underwriting Risk refers to the risk of loss, or of adverse change in the value of Insurance Liabilities, due to inadequate pricing and/or reserving assumptions which includes the fluctuations in the timing, frequency and severity of insured events, relative to the expectations of DLL RE at the time of underwriting. Underwriting risk arises from two sources, adverse claims development (reserve risk) and inappropriate underwriting (premium risk). Underwriting risk is managed by having in place a clear underwriting philosophy, procedures and controls in relation to new program authorisation criteria and diversification of risks.

DLL RE has in place underwriting procedures adopted by the Board which outlines the roles, responsibilities, insurance procedures and reporting requirements within DLL RE to enable the management of underwriting risk in line with the limits and tolerances set out in DLL RE's Risk Appetite Statement.

DLL RE's underwriting year varies by line of business. Although the term of the underlying insurance policies can range from 12 months to 78 months, all reinsurance policies underwritten by DLL RE are written on an annual basis, with automatic renewal of policies if they are not cancelled within a specified timeframe.

When considering any proposed new line of business, the management team prepares an underwriting application for presentation to and approval by the Risk Committee. Each existing program is subject to an annual review by the Risk Committee to assess the performance of the program to date and provide recommendations for future actions.

C.1.2 Description of the material underwriting risks

The main underwriting risk present in DLL RE's portfolio is premium and reserve risk and catastrophe risk. By setting a maximum loss limit and having effective underwriting procedures, DLL RE protects its solvency position and the profitability of the company.

C.1.3 Concentration risk

Underwriting concentration risk is limited due to the spread of classes and jurisdictions. Concentrations of risk may arise as DLL RE only writes reinsurance business for the DLL Group and selected vendor partners and have not established any open-market reinsurance relationships. This is mitigated by way of the quota share arrangements in place and the submission of an underwriting application for each proposed line of business which considers the geographical spread of a program as well as its potential to result in an aggregation of exposure within the portfolio.

C.1.4 Risk mitigation techniques used for underwriting risks

When considering any proposed new line of business, the Management Team prepares an underwriting application for presentation to and approval by the Risk Committee. The Underwriting Application must include at a minimum the following details:

- Counterparties with specific reference to credit rating by a leading ratings agency, reputation and expertise.
- Portfolio details to include insured object profile, geographical spread, historical premium and claims data, potential trends and probable underwriting performance.
- Reinsurance structures and proposed reinsurance share.
- The premium volume and its relationship to risk/volatility.
- Existing Exposures which may reasonably be expected to aggregate to those risks assumed under the proposed program.
- Solvency Capital Requirements and any impact arising from execution of the proposed program.
- Evaluation of standard risks to include Solvency, Profitability, Underwriting, Concentration, Credit, Liquidity, Currency, Compliance, Operational and Reputational.

Additionally, DLL RE does not accept an Average Combined Ratio over a specific period to be above acceptable limits. DLL RE monitors the average combined ratio and on a quarterly basis and this is reported to the Risk Committee.

Retrocession is currently not utilised by the Company however it may be used by the Company as a secondary measure to limit its net exposures. The Company primarily seeks to limit its exposure to an optimal level by limiting that risk which is assumed from the Reinsured. It is the responsibility of the DLL RE management team and the Risk Committee to determine if retrocession should be arranged for any existing or new business proposal. In the event of retrocession being required it is Company policy to follow the minimum credit ratings as set out in the Risk Appetite Statement of DLL RE.

C.2 Market Risk

C.2.1 Description of the measures to assess market risk

DLL RE investments are comprised of a mix of cash and deposits. It is Company policy to maintain investments in separate cash deposits internally within the Rabobank Group and externally with other banks (pre-approved counterparties).

C.2.2 Description of the material market risks

The main market risks present in the Company are interest rate risk and translation risk. Interest rate risk is the exposure of DLL RE's financial condition to adverse movements in interest rates. DLL RE aims to earn the highest possible rate on deposits whilst accepting that the options available for investment are limited by DLL Group minimum requirements. The board of directors of DLL RE adheres to the DLL Group Policy in relation to equity investments, which will be annually reviewed by the DLL Group Asset and Liability Committee.

Translation Risk is defined as the exposure of the company's financial condition to movements in foreign exchange rates. DLL RE is not permitted to have foreign exchange risk, but sometimes this is unavoidable and this is controlled by having a limit in place.

C.2.3 Investment assets and prudent person principle as applied to market risks

The Company verifies the appropriateness of credit assessments from external credit assessment institutions by (i) always obtaining a credit rating where available from one of the four main rating agencies (AM Best, S&P, Moody's and Fitch) and (ii) relying on its own market knowledge, including input from Group treasury. Credit assessments from credit assessment institutions are used in assessing minimum security requirements for investment counterparties.

C.2.4 Concentration risk

DLL RE maintains separate cash deposits internally within the Rabobank Group and also with an external bank. Both counterparties have an A+ stable rating by a leading ratings agency and have stable outlooks.

C.2.5 Risk mitigation techniques used for market risks

DLL RE's translation risk policy seeks to protect DLL RE against exchange rate fluctuations. Translation Risk is defined as the exposure of the company's financial condition to movements in foreign exchange rates.

DLL RE conducts business with many companies in differing jurisdictions and with differing base currency. In all cases, the currency of the liability will be determined by the underlying policy/treaty. To protect existing business, it is the policy of the Company to maintain assets in the same currency as the corresponding liability. The one exception is Brazilian Real (BRL), whereby assets are not held as payments cannot be received by the Company in the form of BRL as it is a non-deliverable currency. Payments relating to Brazilian business are paid/received in the form of USD.

In minimizing DLL RE's exposure to FX risk, DLL RE will hedge DLL RE's forecasted material FX annual earnings, with the objective of achieving our EUR budget translation rate (or better). Material is defined as budgeted earnings > EUR 500,000 currency equivalent (currently USD, SEK, NOK, and DKK), other less material FX earnings are hedged as earned.

C.3 Credit Risk

C.3.1 Description of the measures to assess credit risk

Credit risk is the risk of loss or of adverse change in the financial situation resulting from fluctuations in the credit standing of counterparties to which reinsurance undertakings are exposed, in the form of counterparty default risk. DLL RE's policy intends to limit this credit risk to an acceptable standard.

C.3.2 Description of the material credit risks

The largest credit risk exposure for the Company arises from the counterparties holding the company's assets.

C.3.3 Risk mitigation techniques used for credit risks

Credit risk is managed by carrying out appropriate due diligence on prospective counterparties and having limits in place.

For third party insurance companies 90% of DLL RE's portfolio shall be placed with companies who have an investment rating of S&P "BBB" or better (or the equivalent).

For third party banks, all cash deposits will be placed with banks who have an investment rating of S&P "BBB" or better (or the equivalent).

Credit ratings of counterparties are reviewed and monitored quarterly by the Risk Committee.

In the event DLL RE wants to deviate from these guidelines, this will be subject to approval from the DLL RE Board and the impact on Solvency requirements evaluated.

C.4 Liquidity Risk

C.4.1 Description of the measures to assess liquidity risk

Liquidity risk is the risk that the Company is unable to realise investments and other assets in order to settle their financial obligations where they fall due. DLL RE's liquidity policy seeks to ensure that there is always sufficient cash available to settle its financial obligations.

C.4.2 Description of the material liquidity risk

None.

C.4.3 Risk mitigation techniques used for liquidity risks

DLL RE ensures that amounts of available / readily accessible cash is always higher than the early warning limit of €7,500k. This is reported quarterly to the Risk Committee.

Additionally, an overview of the investments and liquidity position of the Company is a standing item on the DLL RE Board agenda.

C.4.4 Expected Profit Included in future premiums

The expected profit in future premiums is €10,176k.

C.5 Operational Risk

C.5.1 Description of the measures to assess operational risk

Operational Risk covers losses resulting from inadequate or failed internal processes, people, systems, or from external events.

C.5.2 Description of the material operational risk

DLL RE does not consciously take on these types of risks but only tolerates these risks as an inevitable part of executing business activities.

C.5.3 Risk mitigation techniques used for operational risks

DLL RE falls within the scope of DLL Group Operational Risk Management as well as DLL Group's Information Security Policy. DLL RE will not tolerate an aggregate operational risk net loss that exceeds 2% of budgeted annual gross income.

For a single event loss, the maximum tolerated loss has been set at:

Operational Risk | ORM losses (EUR)	EWL	RAL
Net loss amount year to date (per quarter)	300,000	460,000

In addition, an operational resilience framework was developed for the Company in 2023. Critical and important business services were identified to enable DLL RE to clearly determine impact tolerances based on maximum tolerable periods of disruption, perform mapping of the end-to-end delivery of the business service, including any dependence on third parties, and tested based on severe but plausible scenarios.

C.6 Risk Sensitivities

DLL RE undertakes an annual forward-looking stress/scenario analysis as part of the ORSA process. A range of scenarios are considered encompassing different events and degrees of severity. DLL RE scenarios will:

- Address the main risk factors DLL RE is exposed to
- Address DLL RE specific vulnerabilities (sectoral characteristics, business line exposures, concentration risk)
- Be forward looking and include severe outcomes. The time horizon should reflect the characteristics of the business.
- Identify interdependencies if these exist.

This section presents the results of the stress test on DLL RE's financial outlook 2023 to 2025 in term of impact on capital. The scenarios are selected annually by the management team and circulated to the Risk Committee and Head of Actuary for approval. The impact is measured comparative to a base case scenario which is derived from the mid-term plan projection 2023-2025. A summary of the scenario testing results has been provided by risk category in the table below.

Scenario Description	Method	Outcome
Scenario 1 **Macro Economic Risk and Climate Risk** Claims across material programs increase and new business volumes for these programs decline. This is combined with a major climate event (impacting the Companys most material program based in the USA) in year 1 (2024) and the EU has a major claims event in year 2 (2025).	The following assumptions were applied: Macro Economic Risk Assumptions •20% uplift in loss ratios for 2024 and beyond •20% decrease in GWP for 2024 and beyond Climate Risk Assumptions •2% total loss of original sum insured (applied to US state with largest exposure) due to a Hurricane event in 2024 •Max exposure loss relating to another US Program in 2024 •A major Pan-European Program suffers a EUR2m flood loss in 2025 •In addition a program located in Italy suffers a hail/flood event for EUR1m in 2025	This is a severe scenario. These events have an immediate impact on Technical Provisions with a dramatic increase of EUR10,884k in 2024 (base case EUR57,146k versus EUR68,030k). This is due to an increase in claims provisions, an increase in the loss ratio and an increase in premium provisions. In 2025 Technical Provisions increase by EUR6,964k (base case EUR57,658k versus EUR64,621k), demonstrating that a weather related event in Europe is less severe. This combination of events results in a reduction in the solvency margin cover from 202.22% (base case) to 168.46% in 2024 and from 211.78% (base case) 175.07% in 2025. This demonstrates the Company can withstand severe climate events in the US and Europe combined with negative macro-economic events.
Scenario 2 **Reverse Stress Test** Decrease premium volumes and increase loss ratios to project the maximum DLL RE can absorb before breaching regulatory capital requirements (exhaust available own funds).	• For a material program in the USA base case loss ratio is 45.1% and in this scenario the loss ratio is increased to 94.8% (110% uplift) and is applied to existing and new business. • Simultaneously a decrease of 20% in Gross Written Premium is applied to the period 2024-2026.	The Solvency Margin Cover decreases from 202.2% (base case) to 100% in 2024. The Solvency Margin Cover marginally improves in 2025 to 103.9% (base case 211.81%). This assumes that no program performance mitigation strategies have been put in place.
Scenario 3 **Credit Rating downgrade and change in mix of investments** Assess the impact of a ratings downgrade of Rabobank and the external bank . In addition place all deposits on short term duration of 24 months with Rabobank and the external bank.	•Rabobank and external bank is downgraded from credit quality step 2 to 3 (equivalent to moving from S&P rating of A to BBB). This change is for 2024 and 2025 only. •Short term deposits with Rabobank and external bank have a 24 month duration (base case 12 month duration).	The downgrade of Rabobank and external bank from credit quality step 2 to 3 and moving short term deposits with both to a 24 month duration increases the SCR capital charge by EUR8,483k for 2024 and EUR9,415k for 2025 compared to the base case. The sub-modules impacted by this scenario are Market Risk and Default Risk. This is driven by the fact that DLL RE has a large concentration of deposits with Rabobank. The Solvency Margin Cover is materially impacted across all years i.e. 202.2% base case to 175.8% for YE 2024 and from 211.8% base case to 183.4% for YE 2025.

C.7 Other Material Risks

Letter of Credit Availability Risk

One of the main risks for DLL RE is the availability of Letters of Credit ('LoC'). As an unrated entity access to well rated Letter of Credit Capacity is a necessary commercial requirement for DLL RE to secure its existing liabilities to 3rd parties and may act to limit its ability to pursue new opportunities. Unavailability of LoC's could have a very negative effect on DLL RE's ability to undertake business. Ongoing availability of LoC's is therefore a regular agenda item and consideration for the DLL RE Risk Committee.

Compliance Risk

Compliance risk is the risk arising from incomplete, ineffective or inaccurate contractual documentation noting also the relevance of fiscal or regulatory requirements and foreseeable future events, which would trigger subsequent comprehensive attention.
DLL RE at all times seeks to operate in compliance with all applicable laws and regulations. In particular, it works to adhere to the rules relating to behaviour and prudent supervision as this is a key element within the DLL/Rabobank Group. The compliance officer shall ensure that DLL RE complies with local Irish matters. The international aspects of compliance and in particular compliance with DLL Group requirements are subject to the Group Code of Conduct and the employees of DLL RE are responsible to act in compliance with this Code.

HR Risk

The employees of DLL RE are a critical success factor to realize its ambitions. DLL RE is a small operation and is therefore vulnerable to movements in its personnel. It remains important for DLL RE to maintain proper succession planning. In addition, integrity is a key value. Under no circumstances will fraud perpetrated by employees or by customers be tolerated. However, as the business is conducted by humans, fraud within the organization cannot be ruled out. Annual training is provided (as part of DLL Group training) to create and maintain awareness for compliance as well as fraud risks.
DLL Group follows a balanced remuneration policy benefitting its strategy, risk appetite, objectives, values and country specifics. The policy considers the global perspective with some local factors. DLL RE falls within the scope of this Group HR policy.

Business Continuity Risk

By organizing Business Continuity Management ("BCM") the DLL Group aims to reduce to an acceptable level the consequences of internal or external disturbances on the processes of the organization. DLL RE falls within the scope of the DLL Group BCM and has a BCM cycle operative.

Outsourcing Risk

DLL RE has chosen to outsource certain key activities. The advantages of out-sourcing include supplementing limited internal resources as well as accessing expertise. The risks of out-sourcing include poor planning, oversight and controls exercised by DLL RE over the party, which might result in misunderstandings as to scope of work or problems in service quality. In deciding to out-source an activity, DLL shall endeavour to strike an optimal balance between doing activities in-house and outsourcing other activities. DLL RE adheres to all laws and regulations and additionally falls within the scope of the DLL Group Standard on the Management of Outsourcing and Cloud Risk and will ensure there are adequate processes in place for third party selection, supervision, control, monitoring and contingency planning.

Any other disclosures

There is no other material information regarding the risk profile of the Company during the reporting period.

D. Valuation for Solvency Purposes

D.1 Assets

D.1.1 Solvency II valuation for each material class of asset

The following table analyses the Company's financial assets at 31.12.2023. For information purposes the figures at 31.12.2022 are also provided.

Balance Sheet Assets	2023 €'000	2022 €'000	Movement €'000
Deposits other than cash equivalents	144,709	74,617	70,092
Receivables (trade, not insurance)	22	48	-25
Cash and cash equivalents	16,972	64,242	-47,270
Any other assets, not elsewhere shown	34	18	16
Insurance and intermediaries receivables	566	2,441	-1,875
Total Assets	**162,304**	**141,366**	**20,937**

During the year the Company placed cash on short term deposits moving cash from Cash and cash equivalents to Deposits other than cash equivalents to maximise investment income.

The following are the Company's assets at 31 December 2023 as reported under FRS and as valued in accordance with the Solvency II Directive with the main differences identified.

Balance Sheet Projection	Valuation per FRS 31/12/2023	Valuation per SII 31/12/2023	Difference	Valuation per FRS 31/12/2022	Valuation per SII 31/12/2022	Difference
Deposits other than cash equivalents	138,470	144,709	-6,239	70,762	74,617	-3,855
Cash and cash equivalents	20,880	16,972	3,908	67,294	64,242	3,052
Receivables (trade, not insurance)	0	22	-22	0	48	-48
Any other assets, not elsewhere shown	2,366	34	2,331	822	18	803
Deferred acquisition costs	9,015	0	9,015	9,084	0	9,084
Insurance and intermediaries receivables	2,526	566	1,960	2,950	2,441	509
Current Tax Receivable	0	0	0	0	0	0
Total assets	**173,256**	**162,304**	**10,952**	**150,911**	**141,366**	**9,545**

D.1.1.1 Deposits other than cash equivalents

Deposits other than cash equivalents are the Company's term deposits with Rabobank and the external bank. These are short term deposits with a duration of less than one year. At year-end the Company had several deposits with a duration of less than three months. Under FRS these are classified under Cash and cash equivalents, whereas under Solvency II these remain classified as Deposits other than cash equivalents.

Any non-Euro deposit is valued at the amount held at the reporting period end, translated using the year-end exchange rates.

D.1.1.2 Receivables (trade, not insurance)

Receivables (trade, not insurance) are DLL RE's intercompany treasury account balance and VAT receivable at year-end. The difference of €22k is allocated to Insurance and intermediaries receivable under FRS. Note there was no VAT receivable at year-end 2023.

D.1.1.3 Cash and cash equivalent

FRS compared to Solvency II valuations show a difference of €3,908k. Under FRS Cash and cash equivalents comprise of cash balances and short-term deposits with maturity dates less than three months, whereas under Solvency II these remain classified as Deposits other than cash equivalents.

D.1.1.4 Any other asset, not elsewhere shown

Other assets refer to prepayments of the Company's administration fees. The difference of €2,331k relates to accrued income and under FRS this is allocated to interest receivable.

D.1.1.5 Insurance and intermediaries receivables

Insurance and intermediaries receivables are premiums due from the Company's cedants and relate to premiums due from expired risks. Under FRS, the amount of €2,526k is the net position of premiums due that are in excess of claims payable to cedants.

D.1.2 Differences between Solvency II Valuation and local FRS valuation by material class of asset

The two material classes of assets are as follows:

- Deferred acquisition costs are not included in the Solvency II balance sheet.
- Under Solvency II premium receivables classified as expired risk are captured under insurance and intermediaries receivable.

D.2 Technical Provisions

D.2.1 Technical provisions analysed by each material line of business

Below table displays the difference between the Best Estimate Reserve under FRS and the booked FRS Reserve:

Segment	Best Estimate Reserves €'000	FRS Reserves €'000	Difference €'000
Other motor insurance	4,145	6,902	2,757
Miscellaneous financial loss	461	1,130	670
Fire and other damage to property insurance	953	1,539	586
Motor vehicle liability insurance	5,049	5,410	362
Income protection insurance	102	100	(2)
Total	**10,710**	**15,082**	**4,372**

The difference of €4,372k is comprised of:

- €3,025k is the difference in Best Estimate between Solvency II and FRS booked reserves
- €1,347k is the booked margin over the FRS booked reserves

The technical provisions comprise the Best Estimate of Liabilities and the Risk Margin. At the 31.12.2023 the technical provisions were:

DLL RE Movements in Technical Provisions from Accounting basis to SII for 2022																	
€000's	Claims Provision						Premium Provision										
	Best Estimate Reserves	ENIDs	Expenses	Discounting	Premium Receivables - Claims Provisions	Claims Provision	PP Claims	Future Premium less Commission	Future Return Premium	ENIDs	Expenses	Discounting	Premium Provision	Discounted SII TP Excl RM	Risk Margin	Total Net SII TP
Other motor insurance	3,376	101	-	(122)	-	3,355	36,510	(35,233)	29,698	12,058	4,652	(4,715)	42,969	46,324	5,599	51,923
Miscellaneous financial loss	373	11	-	(2)	-	383	2,101	(1,243)	220	221	205	(135)	1,369	1,752	240	1,992
Fire and other damage to property insurance	1,028	31	-	(30)	-	1,029	4,780	(10,445)	-	565	523	226	(4,351)	(3,322)	474	(2,848)
Motor vehicle liability insurance	5,299	159	-	(480)	-	4,978	-	-	-	-	-	-	-	4,978	403	5,381
Income Protection insurance	150	5	-	(5)	-	150	-	-	-	-	-	-	-	150	20	170
Total	10,226	307	-	(639)	-	9,894	43,391	(46,921)	29,918	12,844	5,380	(4,624)	39,987	49,882	6,736	56,617

DLL RE Movements in Technical Provisions from Accounting basis to SII for 2023																
€000's	Claims Provision						Premium Provision									
	Best Estimate Reserves	ENIDs	Expenses	Discounting	Premium Receivables - Claims Provisions	Claims Provision	PP Claims	Future Premium less Commission	Future Return Premium	ENIDs	Expenses	Discounting	Premium Provision	Discounted SII TP Excl RM	Risk Margin	Total Net SII TP
Other motor insurance	4,145	124	478	(148)	(91)	4,509	35,139	(39,456)	32,554	13,023	4,056	(3,926)	41,390	45,899	5,675	51,574
Miscellaneous financial loss	461	14	53	(18)	(1)	509	1,768	(1,224)	231	233	204	(72)	1,140	1,649	244	1,893
Fire and other damage to property insurance	953	29	110	(13)	(475)	604	4,926	(10,091)	-	583	569	195	(3,819)	(3,215)	765	(2,450)
Motor vehicle liability insurance	5,049	151	583	(404)	-	5,379	-	-	-	-	-	-	-	5,379	446	5,825
Income Protection insurance	102	3	12	(3)	-	114	-	-	-	-	-	-	-	114	9	123
Total	10,710	321	1,236	(586)	(566)	11,115	41,833	(50,771)	32,786	13,838	4,828	(3,803)	38,711	49,825	7,140	56,965

The claims provision for 2023 has increased by €1,220k. This increase is largely driven by the inclusion of claims expenses (an allowance for future expenses) of €1,236k in 2023. At year-end 2022, all overhead expenses were included in the Premium Provision, this allocation of overhead expenses to Claims Provision is a change in approach for year-end 2023.

Note also the inclusion of premium receivables claims, the amount of €566k is premium relating to expired business not yet received by DLL RE at the valuation date.

The premium provision for 2023 has decreased by €1,276k. Premium provisions movements are predominately driven by movements in the other motor insurance segment, miscellaneous financial loss and fire and other damage. These movements largely offset each other.

Segmentation

The Technical Provision analysis is performed at a program level. Each program is mapped to a Solvency II line of business and the programs are not unbundled.

Claims Provision

DLL RE calculates the Claims Provision as the discounted best estimate of all future cash flows relating to claims events prior to the valuation date. Claims technical provisions are determined using standard actuarial techniques including the Chain Ladder, Bornhuetter-Ferguson and Loss Ratio methods where appropriate.

Premium Provision

At 31 December 2023 DLL RE has unexpired exposure for a number of programs. Future premium receivables and commissions payable in respect of unexpired exposure are included in the Premium Provision calculation. These amounts have been estimated based on the payment frequency by program.

There are also pre-incepted contracts i.e. renewals signed in advance of year-end that have 1 January 2024 inception dates or premium that will be written by the cedant during 2024 that will attach to the contracts that are already in force. Future premium and commission cash flows in respect of Written but Not Yet Incepted Business are based on the business planning forecasts of DLL RE.

Claims cash flows relating to the unexpired period of risk are estimated by applying ultimate loss ratios to unexpired premium. Loss ratio assumptions for all segments are based on the 2024 budget loss ratios, which are set using the historical experience of the program with smoothing where there is a history of large losses and adjusted for an assumed level of claims inflation and known rate changes.

Contract Boundaries

The objective of the contract boundaries principle is to determine when an existing contract ends and a new contract begins. The term of the underlying insurance policies can range from 12 months to 78 months. Although DLL RE's reinsurance policies are written on an annual basis (with automatic renewal of policies if they are not cancelled within a specified timeframe), DLL RE is bound to the underlying insurance policy term and the associated exposure for that term.

Options and Guarantees

Contracts with "optionality" e.g. cancellations, mid-term adjustments etc., are valued using full cash flows for the duration of the "option" period. There are four programs where cancellations and return premiums are a significant feature of the business.

For two of these programs lessees are automatically insured unless they provide evidence that they already have insurance cover in place. However policyholders often provide evidence of alternative insurance and then cancel the policy soon after the premium is charged. This leads to particularly high cancellation rates. For the remaining programs the high cancellation rate is based on historic experience.

Expenses

Across all programs the claims handling expenses are included in the commission and netted off the premium cash flow. Therefore DLL RE is not exposed to any future claims handling liabilities which have not already been accounted for in the commission.

Acquisition and other underwriting expenses are contractually defined between DLL RE and the cedants and/or brokers (where applicable) and they are included based on planned 2024 projections in the calculation of the Premium Provision.

The overhead expenses included in the Claims Provision are based on the ratio of overhead expenses to paid claims in the 2024 budget. At year end 2022, all overhead expenses were included in the Premium Provision, this allocation of overhead expenses to Claims Provision is a change in approach for year end 2023.

The overhead expenses included in the Premium Provision are based on the ratio of overhead expenses to paid claims in the 2024 budget. This results in a lower allowance for overhead expenses in the premium provisions relative to prior years as part of these expenses have been allocated to the Claims Provision.

ENIDS

A Premium Provision ENID loading of 13% is applied to a material program in the Other Motor Segment, given the business planning assumption uncertainties associated with the increasing levels of claims inflation. For all other lines, a Premium Provision ENID loading of 5% has been selected as these programs are typically of a shorter term and are subject to less uncertainty.

The Claims Provision includes an allowance for ENIDs which is based on a 3% uplift to the Best Estimate claims reserve.

The Solvency II Technical Provision's include an ENID allowance of

- €13,838k based on a 13% (for a material program in the Other Motor Segment only) and 5% (all other programs) uplift to the loss ratio applied to the Premium Provision
- €321k based on a 3% uplift applied to the best estimate Claims Provisions.

Payment Patterns and Discounting

Future claims settlement cash flows for both the Claims and Premium Provisions were modelled using payment patterns based on DLL RE's actual historical claims experience combined with Expert Actuarial Judgement. These were discounted using the appropriate yield curves by currency as published by EIOPA in December 2023.

Future Premium receivables and commissions payable

Future premiums receivable and commissions payable in respect of unexpired exposure are included in the premium provision calculation. Future bound but not yet incepted ("BBNI") premium has been calculated for 2024 and 2025 and included in the premium provision calculation. The premium bound each year considers the policy anniversary, how far in advance the premium is considered to be bound and assuming that business is written and earned evenly over time.

Programmes are settled on a net basis so there is no explicit premium receivable on the balance sheet. Instead the amount on the balance sheet is the balance of payments either due from each cedant or owed by DLL RE.

Future premiums in the claim provision calculation relates to expired business yet to be received by DLL RE at the valuation date. These premiums are not considered overdue by DLL RE and are included within the claims provisions.

Reinsurance – Premiums and Recoveries

DLL RE does not have any retrocession in place.

Risk Margin

The Company has used Method 2 from Guideline 61 of the Solvency II 'Guidelines on the valuation of technical provisions'. This involves approximating the whole SCR for each future year, inter alia by using the ratio of the best estimate at that future year to the best estimate at the valuation date. This results in a risk margin of €7,140k at 31 December 2023.

D.2.2 Uncertainty associated with the value of technical provisions

The key sources of uncertainty for the Company are expenses, policyholder behaviour assumptions and changes in local legislation.

D.2.3 Differences between Solvency II valuation and local Financial Statements (FRS) valuation of Technical Provisions analysed by each material line of business

The technical provisions in the financial statements are shown as an amount of €92,119k. This is made up of a provision for unearned premium €77,037k, an IBNR reserve of €11,371k, and an outstanding loss reserve of €3,711k. There was no additional unexpired risk reserve reported in 2023.

The differences between Solvency II valuation and the FRS valuation of technical provisions is mainly due to premium provisions (FRS €77,037k versus Solvency II €38,711k). The Solvency II difference is comprised of the following: the exclusion of deferred acquisition cost, the inclusion of written but not incepted premiums, future return premium estimates, ENIDS/expense loadings, premium receivables and an allowance for discounting.

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

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

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

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

D.2.8 Recoverable from special purpose vehicles
Not applicable to the Company.

D.3 Other Liabilities
At the 31st December 2023 the Company recorded the following classes of other liabilities for solvency purposes:

- DLL RE has recorded a claims payable amount of €2,793k. Under FRS this is €428k which is net payables in excess of premiums due.

- DLL RE has recorded a deferred tax liability of €5,898k at the end of the reporting period arising due to the change in the basis of valuation in FRS Financial Statements and Solvency II principles. The Loss Absorbing Capacity for deferred Tax has been capped at the deferred tax liability on the Solvency II balance sheet. This DLL RE considers to be a prudent approach.

  An amount of €290k refers to expense accruals, there is no difference between the FRS and Solvency II balance sheet.

D.4 Alternative methods for valuation
Not applicable for the Company.

D.5 Any other information
No further information.

E. Capital Management

E.1 Own Funds

E1.1. Objectives, policies and processes for managing own funds

DLL RE seek to maintain sufficient own funds to cover Solvency Capital Requirements at all times. The management team review the ratio of eligible own funds over SCR and MCR at least quarterly. The Board is provided with this overview at each Board Meeting. As part of own funds management, the Company prepares an Own Risk and Solvency Assessment exercise at least annually, or when the risk profile of the Company changes. The ORSA exercise incorporates the business planning process which is typically a three-year time horizon.

The Company's own funds are as follows:

Own Funds Solvency II	2023 €'000	2022 €'000
Paid up share capital	4,635	4,635
Other reserves	365	365
Profit and loss account	72,797	54,451
Reconciliation reserve	18,561	17,500
Basic own funds	**96,358**	**76,951**

The Company's own funds are invested in cash or short-term deposits. There is no intention to change the disposition of own fund items. No dividend has been paid to the parent in the reporting period and no dividend has been paid since the establishment of the Company.

Own funds are comprised of paid-up share capital, other reserves, profit and loss retained earnings and the reconciliation reserve. The reconciliation reserve represents the differences between the equity in the financial statements and the excess of the assets over liabilities as calculated for Solvency II purposes during the reporting period.

E1.2 Own Funds classified by tiers

The Company's available own funds by Tier are as follows:

Own Funds by Tier	2023 €'000	2022 €'000
Tier 1 Basic Own Funds (unrestricted)	96,358	76,951
Eligible Capital for SCR	**96,358**	**76,951**

All Own Funds for the Company are Tier 1.

E1.3 Eligible amount of own funds to cover the Solvency Capital Requirement, classified by tiers

The eligible own funds available to meet the SCR is €96,358k. The SCR ratio is calculated at 189.14% at 31st December 2023 (171.55% at 31st December 2022).

E1.4 Eligible amount of own funds to cover the Minimum Capital Requirement, classified by tiers

The eligible own funds available to meet the MCR is €96,358k. The MCR ratio is calculated at 757% at 31st December 2023 (686% at 31st December 2022).

E1.5 Difference between equity as shown in the Financial Statements (FRS) and the Solvency II value excess of assets over liabilities

The following table shows the difference between equity as shown in the financial statements and the Solvency II balance sheet.

Own Funds (Solvency II)	2023 €'000	2022 €'000
Paid up share capital	4,635	4,635
Other reserves	365	365
Profit and loss account	72,797	54,451
Reconciliation reserve	18,561	17,500
Basic own funds	**96,358**	**76,951**

Own Funds (FRS)	2023 €'000	2022 €'000
Paid up share capital	4,635	4,635
Other reserves	365	365
Profit and loss account	72,797	54,451
Reconciliation reserve		
Basic own funds	**77,797**	**59,451**

The difference relates to the reconciliation reserve which represents the differences between the equity in the financial statements and the excess of the assets over liabilities as calculated for Solvency II purposes during the reporting period.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Solvency Capital Requirement of DLL RE at 31st December 2023 is €50,945k. The Minimum Capital Requirement of the Company at 31st December 2023 is €12,736k. The Company applies the standard formula without any modifications and has not used any simplifications allowed by the regulations.

The Solvency Capital Requirement and the Minimum Capital Requirement of the Company is as follows:

Solvency Capital Requirement Sub Module	2023 €'000	2022 €'000	Movement
Non-life Risk	40,572	38,198	2,374
Health Risk	48	63	(15)
Market Risk	27,965	14,510	13,455
Default Risk	1,206	4,587	(3,381)
Operational Risk	1,495	1,496	(2)
LACDT	(5,898)	(3,298)	(2,600)
Diversification	(14,443)	(10,701)	(3,742)
Total SCR	50,945	44,857	6,089

Minimum Capital Requirement	2023 €'000	2022 €'000	Movement
Floor	12,736	11,214	1,522
Cap	22,925	20,185	2,740
MCR (linear)	6,605	6,395	210
MCR (combined)	12,736	11,214	1,522
Absolute floor	3,900	3,900	0
Minimum Capital Requirement	**12,736**	**11,214**	**1,522**

The Solvency Capital Requirement split by risk module is as follows:

Underwriting Risk

Non Life Underwriting Risk	2023 €'000	2022 €'000	Movement
NL Premium & Reserve Risk	27,973	26,308	1,665
NL Lapse Risk	9,629	7,265	2,364
NL Catastrophe Risk	21,640	20,946	694
Diversification Benefit	(18,669)	(16,320)	(2,349)
SCR	**40,572**	**38,198**	**2,374**

Underwriting Risk is comprised of the following:

- There is a capital charge of €27,973k due to Non-Life Premium and Reserve Risk. These are standardised charges on DLL RE's Solvency II premium volume measurement (including future premium within the contract boundary) and Solvency II claims provisions at 31 December 2023.
- At the end of the reporting period there is a small increase in Premium and Reserve Risk. This is driven by the increased premium volumes in the Other Motor Insurance segment.
- Lapse Risk arises from the effect of immediate cancellations for programs, the majority of these are contained in the Other Motor Insurance segment.
- The Non-Life CAT risk charge has increased by €694k and is driven by the Cresta Zone weightings for Nat CAT. The capital charge remains largely driven by the Other Motor Insurance and Fire and Other Damage to Property Insurance segments.
- The Man-Made CAT risk arises in Fire and Other Damage to Property Insurance segment.
- Premium and Reserve, CAT and Lapse Risk are not 100% correlated and the non-life underwriting risk charge benefits from a €18,669k diversification effect.

Health Risk

The Health Risk charge of €48k relates to Income Protection Insurance (Personal Accident Cover) which is in run-off.

Market Risk

Market Risk	**2023 €'000**	**2022 €'000**	**Movement**
Interest Rate	1,396	137	1,259
Equity	0	0	0
Property	0	0	0
Spread	2,048	1,045	1,003
Currency	7,413	6,044	1,369
Concentration	26,612	13,007	13,604
Diversification benefit	(9,504)	(5,723)	(3,781)
Market Risk SCR	**27,965**	**14,510**	**13,455**

Market Risk is comprised of the following:

- The interest rate risk relates to the risk of a change in the term structure/volatility of interest rates within the discounted best estimate liability valuation.
- Equity and property are not applicable to DLL RE.
- Spread risk stresses the duration of term deposits.
- The currency charge relates to the assets and liabilities of non-Euro exposures (USD is the main driver).
- The concentration risk stresses the counterparty default credit rating related to DLL RE's short term deposits. This is driven by DLL RE having a limited number of banking counterparties.

Default Risk

- The Counterparty Default charge of €1,206k (€4,587k at 31st December 2022) relates to DLL RE's credit exposure to immediately accessible cash held with Rabobank, the external bank, premiums due from cedants for expired risk and premiums overdue for more than three months. The movement is due to the change in investment mix i.e. holding less in the current account and more on short term deposits.

Operational Risk

- Operational Risk charge is a formulaic calculation under Solvency II. The charge for DLL RE at the end of the reporting period is €1,495k.

Operational Risk	**2023 €'000**	**2022 €'000**	**Movement**
Op Premiums	942	960	-17
Op Provisions	1,495	1,496	-2
SCR Operational Risk	**1,495**	**1,496**	**-2**

Loss Absorbing Capacity for Deferred Tax (LACDT)

- The Loss Absorbing Capacity for Deferred Tax is €5,898k (€3,298k at 31st December 2022). This has been capped at the Deferred Tax Liability on the Solvency II balance sheet. This is considered a prudent approach by DLL RE.

Diversification

- The diversification benefit across the risk modules is €14,443k (€10,701k at 31st December 2022).

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

Not applicable for the Company.

E.6 Any Other Information

There is no other material information to report regarding the Company's capital management.

Annex 1 SFCR Disclosed QRT's

Template Code	Template Name
S.02.01.02	Balance sheet
S.04.05.21	Premiums, claims and expenses
S.05.01.02	Premiums, claims and expenses by country
S.17.01.02	Non-life technical provisions
S.19.01.21	Non-life insurance claims
S.23.01.01	Own funds
S.25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement - only life or only non-life insurance or reinsurance activity

Annex I
S.02.01.02
Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	144,709
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	
Government Bonds	**R0140**	
Corporate Bonds	**R0150**	
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	144,709
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	
Reinsurance recoverables from:	**R0270**	
Non-life and health similar to non-life	**R0280**	
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	566
Reinsurance receivables	**R0370**	
Receivables (trade, not insurance)	**R0380**	22
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	16,972
Any other assets, not elsewhere shown	**R0420**	34
Total assets	**R0500**	162,304

Annex I
S.02.01.02
Balance sheet

Liabilities		**Solvency II value**
		C0010
Technical provisions – non-life	**R0510**	56,965
Technical provisions – non-life (excluding health)	**R0520**	56,842
Technical provisions calculated as a whole	**R0530**	
Best Estimate	**R0540**	49,712
Risk margin	**R0550**	7,131
Technical provisions - health (similar to non-life)	**R0560**	123
Technical provisions calculated as a whole	**R0570**	
Best Estimate	**R0580**	114
Risk margin	**R0590**	9
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	
Technical provisions - health (similar to life)	**R0610**	
Technical provisions calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	
Technical provisions calculated as a whole	**R0660**	
Best Estimate	**R0670**	
Risk margin	**R0680**	
Technical provisions – index-linked and unit-linked	**R0690**	
Technical provisions calculated as a whole	**R0700**	
Best Estimate	**R0710**	
Risk margin	**R0720**	
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	5,898
Derivatives	**R0790**	
Debts owed to credit institutions	**R0800**	
Financial liabilities other than debts owed to credit institutions	**R0810**	
Insurance & intermediaries payables	**R0820**	2,793
Reinsurance payables	**R0830**	
Payables (trade, not insurance)	**R0840**	
Subordinated liabilities	**R0850**	
Subordinated liabilities not in Basic Own Funds	**R0860**	
Subordinated liabilities in Basic Own Funds	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	290
Total liabilities	**R0900**	65,945
Excess of assets over liabilities	**R1000**	96,358

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		US	NL	GB	AU	CH
		C0010	C0020	C0021	C0022	C0023	C0024
Premiums written (gross)							
Gross Written Premium (direct)	R0020						
Gross Written Premium (proportional reinsurance)	R0021	3,108	24,435	2,858	330	129	-63
Gross Written Premium (non-proportional reinsurance)	R0022						
Premiums earned (gross)							
Gross Earned Premium (direct)	R0030						
Gross Earned Premium (proportional reinsurance)	R0031	3,259	17,149	2,853	235	206	267
Gross Earned Premium (non-proportional reinsurance)	R0032						
Claims incurred (gross)							
Claims incurred (direct)	R0040						
Claims incurred (proportional reinsurance)	R0041	389	5,295	-1,287	46	116	210
Claims incurred (non-proportional reinsurance)	R0042						
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	R0050						
Gross Expenses Incurred (proportional reinsurance)	R0051	851	2,661	308	103	21	49
Gross Expenses Incurred (non-proportional reinsurance)	R0052						

Home country: Life insurance and reinsurance obligations

		Home Country	Top 5 countries: life				
			C0031	C0032	C0033	C0034	C0035
		C0030	C0040	C0041	C0042	C0043	C0044
Gross Written Premium	R1020						
Gross Earned Premium	R1030						
Claims incurred	R1040						
Gross Expenses Incurred	R1050						

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)**												Line of business for: **accepted non-proportional reinsurance**				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written																		
Gross - Direct Business	**R0110**																	
Gross - Proportional reinsurance accepted	**R0120**					24,849		4,366					1,582					30,797
Gross - Non-proportional reinsurance accepted	**R0130**																	
Reinsurers' share	**R0140**																	
Net	**R0200**					24,849		4,366					1,582					30,797
Premiums earned																		
Gross - Direct Business	**R0210**																	
Gross - Proportional reinsurance accepted	**R0220**					18,179		4,249					1,541					23,969
Gross - Non-proportional reinsurance accepted	**R0230**																	
Reinsurers' share	**R0240**																	
Net	**R0300**					18,179		4,249					1,541					23,969
Claims incurred																		
Gross - Direct Business	**R0310**																	
Gross - Proportional reinsurance accepted	**R0320**		-50		-2,076	5,466		1,144					286					4,770
Gross - Non-proportional reinsurance accepted	**R0330**																	
Reinsurers' share	**R0340**																	
Net	**R0400**		-50		-2,076	5,466		1,144					286					4,770
Expenses incurred	**R0550**					3,302		369					322					3,993
Balance - other technical expenses/income	**R1200**																	
Total expenses	**R1300**																	3,993

S.05.01.02
Premiums, claims and expenses by line of business

		Line of Business for: **life insurance obligations**						**Life reinsurance obligations**		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**									
Reinsurers' share	**R1420**									
Net	**R1500**									
Premiums earned										
Gross	**R1510**									
Reinsurers' share	**R1520**									
Net	**R1600**									
Claims incurred										
Gross	**R1610**									
Reinsurers' share	**R1620**									
Net	**R1700**									
Expenses incurred	**R1900**									
Balance - other technical expenses/income	**R2500**									
Total expenses	**R2600**									
Total amount of surrenders	**R2700**									

Annex I
S.17.01.02
Non-life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				Total Non-Life obligation
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0020	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0170**	**C0180**
Technical provisions calculated as a whole	**R0010**																	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0050**																	
Technical provisions calculated as a sum of BE and RM																		
Best estimate																		
Premium provisions																		
Gross	**R0060**					41.390		-3.819					1.140					38.711
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**																	
Net Best Estimate of Premium Provisions	**R0150**					41.390		-3.819					1.140					38.711
Claims provisions																		
Gross	**R0160**		114		5.379	4.509		604					509					11.115
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**																	
Net Best Estimate of Claims Provisions	**R0250**		114		5.379	4.509		604					509					11.115
Total Best estimate - gross	**R0260**		114		5.379	45.899		-3.215					1.649					49.825
Total Best estimate - net	**R0270**		114		5.379	45.899		-3.215					1.649					49.825
Risk margin	**R0280**		9		446	5.675		765					244					7.140
Technical provisions - total																		
Technical provisions - total	**R0320**		123		5.825	51.574		-2.450					1.893					56.965
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**																	
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**		123		5,825	51,574		-2,450					1,893					56,965

Annex I
S.19.01.21
Non-life Insurance Claims Information

Total Non-Life Business

Accident year / Underwriting year	Z0020	Accident year [AY]

Gross Claims Paid (non-cumulative)
(absolute amount)

		Development year												In Current year	Sum of years (cumulative)
	Year		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10 & +**			
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**		**C0170**	**C0180**
Prior	**R0100**												**R0100**		
2014	**R0160**	2,683	804	143	950	235	197	197	128	357	29		**R0160**	29	5,722
2015	**R0170**	2,964	1,757	284	763	589	493	391	242	156			**R0170**	156	7,638
2016	**R0180**	4,260	1,798	200	206	443	47	69	65				**R0180**	65	7,089
2017	**R0190**	5,312	2,879	37	99	-18	27	20					**R0190**	20	8,357
2018	**R0200**	6,111	2,786	86	8	-667	19						**R0200**	19	8,344
2019	**R0210**	6,176	2,333	-126	383	-14							**R0210**	-14	8,753
2020	**R0220**	7,757	2,833	393	-17								**R0220**	-17	10,966
2021	**R0230**	5,405	1,353	300									**R0230**	300	7,058
2022	**R0240**	7,024	97										**R0240**	97	7,121
2023	**R0250**	6,087											**R0250**	6,087	6,087
												Total	**R0260**	6,744	77,135

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

		Development year												Year end (discounted data)
	Year		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10 & +**		
		C0200	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0290**	**C0300**		**C0360**
Prior	**R0100**											0	**R0100**	0
2014	**R0160**			4,197	2,771	2,350	2,042	2,529	2,481	1,923	959		**R0160**	890
2015	**R0170**		5,404	6,709	4,986	4,092	3,426	2,356	1,892	3,107			**R0170**	2,882
2016	**R0180**	11,851	6,067	3,853	2,987	1,945	1,257	1,798	1,838				**R0180**	1,724
2017	**R0190**	4,948	384	128	205	10	2	2					**R0190**	2
2018	**R0200**	6,949	281	182	115	74	44						**R0200**	42
2019	**R0210**	4,373	558	123	50	25							**R0210**	25
2020	**R0220**	6,053	290	66	97								**R0220**	93
2021	**R0230**	4,159	355	174									**R0230**	168
2022	**R0240**	4,319	685										**R0240**	663
2023	**R0250**	4,770											**R0250**	4,624
												Total	**R0260**	11,115

Annex I
S.23.01.01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	4,635	4,635			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	91,723	91,723			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	96,358	96,358			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					

Annex I
S.23.01.01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Total ancillary own funds	**R0400**					
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	96,358	96,358			
Total available own funds to meet the MCR	**R0510**	96,358	96,358			
Total eligible own funds to meet the SCR	**R0540**	96,358	96,358			
Total eligible own funds to meet the MCR	**R0550**	96,358	96,358			
SCR	**R0580**	50,945				
MCR	**R0600**	12,736				
Ratio of Eligible own funds to SCR	**R0620**	189.14%				
Ratio of Eligible own funds to MCR	**R0640**	756.56%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	**R0700**	96,358
Own shares (held directly and indirectly)	**R0710**	
Foreseeable dividends, distributions and charges	**R0720**	
Other basic own fund items	**R0730**	4,635
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced	**R0740**	
Reconciliation reserve	**R0760**	91,723
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	**R0770**	
Expected profits included in future premiums (EPIFP) - Non-life business	**R0780**	10,176
Total Expected profits included in future premiums (EPIFP)	**R0790**	10,176

Annex I
S.25.01.21
Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	**C0090**	**C0120**
Market risk	**R0010**	27,965		
Counterparty default risk	**R0020**	1,206		
Life underwriting risk	**R0030**			
Health underwriting risk	**R0040**	48		
Non-life underwriting risk	**R0050**	40,572		
Diversification	**R0060**	-14,443		
Intangible asset risk	**R0070**			
Basic Solvency Capital Requirement	**R0100**	55,348		

Calculation of Solvency Capital Requirement		**C0100**
Operational risk	**R0130**	1,495
Loss-absorbing capacity of technical provisions	**R0140**	
Loss-absorbing capacity of deferred taxes	**R0150**	-5,898
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	**R0160**	
Solvency capital requirement excluding capital add-on	**R0200**	50,945
Capital add-on already set	**R0210**	
of which, capital add-ons already set - Article 37 (1) Type a	**R0211**	
of which, capital add-ons already set - Article 37 (1) Type b	**R0212**	
of which, capital add-ons already set - Article 37 (1) Type c	**R0213**	
of which, capital add-ons already set - Article 37 (1) Type d	**R0214**	
Solvency capital requirement	**R0220**	50,945
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	**R0400**	
Total amount of Notional Solvency Capital Requirement for remaining part	**R0410**	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	**R0420**	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	**R0430**	
Diversification effects due to RFF nSCR aggregation for article 304	**R0440**	

Annex I
S.28.01.01
Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCR_{NL} Result	**R0010**	6,605

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	**Net (of reinsurance) written premiums in the last 12 months**
		C0020	**C0030**
Medical expense insurance and proportional reinsurance	**R0020**		
Income protection insurance and proportional reinsurance	**R0030**	114	
Workers' compensation insurance and proportional reinsurance	**R0040**		
Motor vehicle liability insurance and proportional reinsurance	**R0050**	5,379	
Other motor insurance and proportional reinsurance	**R0060**	45,899	24,849
Marine, aviation and transport insurance and proportional reinsurance	**R0070**		
Fire and other damage to property insurance and proportional reinsurance	**R0080**		4,366
General liability insurance and proportional reinsurance	**R0090**		
Credit and suretyship insurance and proportional reinsurance	**R0100**		
Legal expenses insurance and proportional reinsurance	**R0110**		
Assistance and proportional reinsurance	**R0120**		
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**	1,649	1,582
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**	6,605
SCR	**R0310**	50,945
MCR cap	**R0320**	22,925
MCR floor	**R0330**	12,736
Combined MCR	**R0340**	12,736
Absolute floor of the MCR	**R0350**	3,900
Minimum Capital Requirement	**R0400**	12,736