Utmost Holdings Ireland Limited Solvency and Financial Condition Report Year-End 2023

Month: April 2024
Author: Utmost Holdings Ireland Limited
Owner: Board of Directors

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Introduction

The harmonised European Union ("EU") wide regulatory regime for insurance companies, known as Solvency II, came into force with effect from 1 January 2016. The regime requires reporting and public disclosure arrangements to be put in place by insurers. The objective of the Solvency and Financial Condition Report ("SFCR") is to increase transparency in the insurance market by requiring insurance and reinsurance undertakings to disclose publicly, on at least an annual basis, a report on their solvency and financial condition.

In accordance with the EU (Insurance and Reinsurance) Regulations S.I. No. 485 of 2015, where a participating insurance or reinsurance undertaking or an insurance holding company so decides, and subject to the agreement of the group supervisor, it may provide a single solvency and financial condition report which shall comprise the following:

(a) the information at the level of the group which must be disclosed in accordance with Article 258 (1);
(b) the information for any of the subsidiaries within the Group which must be individually identifiable and disclosed in accordance with Articles 52, 55, 56 and 57.

Utmost Holdings Ireland Limited ("UHIL" or "the Company") has interpreted S.258(3)(b) and 258 (5) of SI 485 2015 EU (Insurance and Reinsurance) Regulations together to mean that UHIL has an obligation to disclose financial information on all authorised subsidiaries within the overall UHIL group structure. Disclosures with specific financial and non-financial information has been included for all material authorised subsidiaries i.e. Utmost PanEurope dac ("UPE"). See Exhibit 1 for a full list of all Company subsidiaries.

This report has been drafted with consideration given to the UHIL financial position, and the governance structures in place within UPE.

UHIL's financial year runs to 31 December each year and the results are reported in euro (€).

Summary

BUSINESS AND PERFORMANCE

UHIL is a wholly owned subsidiary of Utmost International Group Holdings Limited, a United Kingdom ("UK") incorporated company specialising in the acquisition and consolidation of life assurance businesses.

As at 31 December 2023, UHIL wholly owned the following subsidiaries:

Exhibit 1 UHIL Subsidiaries

UHIL Subsidiary Name	Nature of Business
Utmost PanEurope dac	Life Insurance
Athlumney Kappa (Ireland) dac	Dormant Company
Utmost Services Ireland Limited	Management and Administration Services
Utmost Bermuda Limited	Life Insurance
Utmost International Ireland Limited	Dormant Company (Dissolved on 11 March 2024)

UHIL generated a profit after tax for the 2023 financial year of €20,244k (2022 restated: Loss of €4,644k).

Utmost PanEurope dac

UPE accounts for the majority of UHIL income in 2023. UPE accounts for 100% of UHIL's earned premium and 99% of fees and charges on investment business.

The most significant countries for UPE (by 2023 gross written premium) are Italy, the UK, Finland, Spain and Portugal.

Premiums received during the year relate to Wealth Solutions single and regular premiums, and Corporate Solutions premiums. Total 2023 gross written premiums were €2,553,998k.

The main driver for UPE's premium income and investment contract sales over the last three financial years has been Wealth Solutions single premiums. The majority of the premium from this business line comes from UK, Italy, Spain, and Portugal.

UPE generated a profit after tax for the 2023 financial year of €32,766k (2022 restated Profit of: €33,489k).

Utmost Services Ireland Limited

All UHIL staff, with the exception of certain Pre-Approved Control Functions ("PCF") role holders who are employees of UPE, are employees of Utmost Services Ireland Limited ("USIL"). USIL provides UPE with management and administrative services. USIL also provides similar management and administrative services to Utmost Bermuda Limited ("UBL") and Utmost Worldwide Limited ("UW").

Utmost Bermuda Limited

UBL's principal activity is that of a run-off book. UBL specialises in bespoke investment solutions for wealthy individuals in the form of unit linked life assurance policies and a small number of conventional life assurance policies. UBL has been closed to new business since 2004 and dedicated policies account for the majority of the funds under management.

While UBL is included in the overall UHIL figures and assessments, it is not considered a material entity in the context of the wider UHIL Group.

Utmost International Ireland Limited

Utmost International Ireland Limited ("UIIL") was a dormant company which was dissolved on 11 March 2024.

SYSTEM OF GOVERNANCE

The UHIL Board of Directors in seeking to apply best practice in corporate governance periodically establishes Committees to help it discharge its responsibilities in respect of the regulated entities within the UHIL Group. The Directors are satisfied that there is sufficient oversight of the Group's activities through the establishment of Audit Committees and other Board Committees by its principal subsidiary undertakings, such that Committees are not also required at the UHIL level.

The information provided on the System of Governance is primarily based on the governance structures in place within the authorised subsidiary, UPE.

In accordance with Irish laws and Solvency II requirements, UPE has established Risk Management Systems, defined as a set of strategies, standards, processes and procedures aimed at identifying, measuring, monitoring and reporting on a continuous basis the risks to which the company is exposed.

As part of its governance structure, UPE has established a series of Board Committees with specific delegated authorities. For further information, please refer to Section B.1.1 of this report.

The Internal Control and Risk Management System is put in place within UPE through a specific on-going process which involves, with different roles and responsibilities, the Board, the Executive Committee ("ExCo") and the various organisational structures. The functions involved in the risk management process operate according to the Three Lines of Defence approach:

- First Line of Defence: The operational structures (Risk Owners) are the First Line of Defence.
- Second Line of Defence: The Risk Management, Compliance, Legal and Actuarial Functions represent the Second Line of Defence.
- Third Line of Defence: Internal Audit is the Third Line of Defence.

Further information on the System of Governance is outlined in Section B.

RISK PROFILE

The Enterprise Risk Management Framework embeds strong and effective risk management across the business ensuring that our customers' interests are central to our operations. The framework is used to make informed business decisions by ensuring that risks are understood and managed effectively bringing positive outcomes for our customers and shareholders.

The Company holds capital as a mitigant against the crystallisation of some of its risks. The SCR is the level of capital the Company is required to hold to ensure it continues to be able to meet its obligations even if a very severe event (defined as a "1-in-200 year event") were to occur in the next 12 months.

The Group has adopted the Standard Formula specified in the SII legislation to assess capital-based risks.

UHIL had a solvency coverage ratio of 145% at year-end 2023. It is noted that solvency is assessed on a Solvency II Standard Formula basis at group level for UHIL as well as UPE level.

UPE is well capitalised relative to the risks that it faces. At year-end 2023, UPE had a solvency coverage ratio of 154%.

UBL solvency methodology is not based on Solvency II and it is noted that the Bermuda Monetary Authority requires UBL to maintain a minimum solvency margin of USD500k as the book is in run-off.

Further details on UHIL and its subsidiaries' key risks are outlined in Section C.

VALUATION FOR SOLVENCY PURPOSES

The Company uses the accounting consolidation-based method, also called Method 1, to prepare the Solvency II balance sheet. Method 1 is the default method under the SII rules. In preparing the Solvency II balance sheet, assets and liabilities are valued according to the Directive 2009/138/ EC ("SII Directive") and related laws and guidelines. Under Solvency II, assets and liabilities are required to be valued at fair value which is the amount for which they could be exchanged with a third party in an arm's length transaction. The valuation principles are broadly the same as those applied under IFRS but there are some notable exceptions including the valuation of deferred acquisition costs, intangible assets, the technical provisions, and the valuation of subordinated loans.

UHIL's Solvency II assets and liabilities and technical provisions at 31 December 2023 are outlined in the table below.

Exhibit 2a UHIL Solvency II Assets, Liabilities and Technical Provisions

	31 December 2022 €'000	31 December 2023 €'000
Total Assets	24,422,395	27,257,976
Total Liabilities	24,088,393	26,858,274
Net Technical Provisions	23,286,096	25,999,167

UHIL assets, liabilities and technical provisions increased in the year mainly due to a combination of positive market movements and business growth during 2023.

UPE's Solvency II assets and liabilities and technical provisions at 31 December 2023 are outlined in the table below.

Exhibit 2b UPE Solvency II Assets, Liabilities and Technical Provisions

	31 December 2022 €'000	31 December 2023 €'000
Total Assets	24,091,496	26,890,039
Total Liabilities	23,676,286	26,441,222
Net Technical Provisions	22,962,886	25,645,040

UPE assets, liabilities and technical provisions increased in the year due to a combination of positive market movements and new business.

Further information on UHIL and UPE assets and liabilities, including the differences between the Solvency II value and the Statutory Accounts value, is provided in Sections D1 and D3.

CAPITAL MANAGEMENT

The primary objective of capital management is to maintain an efficient capital structure using a combination of equity, shareholders' funds and subordinated debt, in a manner consistent with our risk profile and the regulatory and market requirements of our business.

UHIL and UPE calculate their solvency capital requirement ("SCR") according to the Standard Formula methodology. At 31 December 2023, UHIL had a solvency coverage ratio, calculated using the Standard Formula methodology, of 145% and UPE had a solvency coverage ratio of 154%.

UHIL's Own Funds are all classified as Tier 1, with the exception of a £20,000k Loan Note.

UPE's Own Funds are classified as Tier 1, with the exception of a £20,000k Loan Note issued by UPE to Utmost International Isle of Man Limited ("UIIOML"), which was established as a Tier 2 capital instrument. The table below outlines the Own Funds that are eligible to meet the SCR and minimum capital requirement ("MCR").

There were no instances of non-compliance with the SCR or MCR for UHIL or UPE during the reporting period.

Exhibit 3a UHIL Solvency Capital Requirement and Minimum Capital Requirement

	31 December 2022 €'000	31 December 2023 €'000
Solvency Capital Requirement	254,811	290,812
Minimum Capital Requirement	123,740	133,889
Own Funds to Cover SCR	356,588	422,772
Solvency Coverage Ratio	139.94%	145.38%
Own Funds to Cover MCR	356,588	422,772
Minimum Capital Ratio	288.18%	315.76%

Exhibit 3b UPE Solvency Capital Requirement and Minimum Capital Requirement

	31 December 2022 €'000	31 December 2023 €'000
Solvency Capital Requirement	265,051	296,526
Minimum Capital Requirement	119,273	133,437
Own Funds to Cover SCR	415,296	456,887
Solvency Coverage Ratio	156.69%	154.08%
Own Funds to Cover MCR	415,296	456,887
Minimum Capital Ratio	348.19%	342.40%

Further details on UHIL and UPE's respective capital positions are outlined in Section E.

A. Business and Performance

A.1. BUSINESS

Legal Entity Name:
Utmost Holdings Ireland Limited

Registered Office:
Ashford House
Tara Street
Dublin 2
D02 VX67
Ireland
T: (046) 909 9700

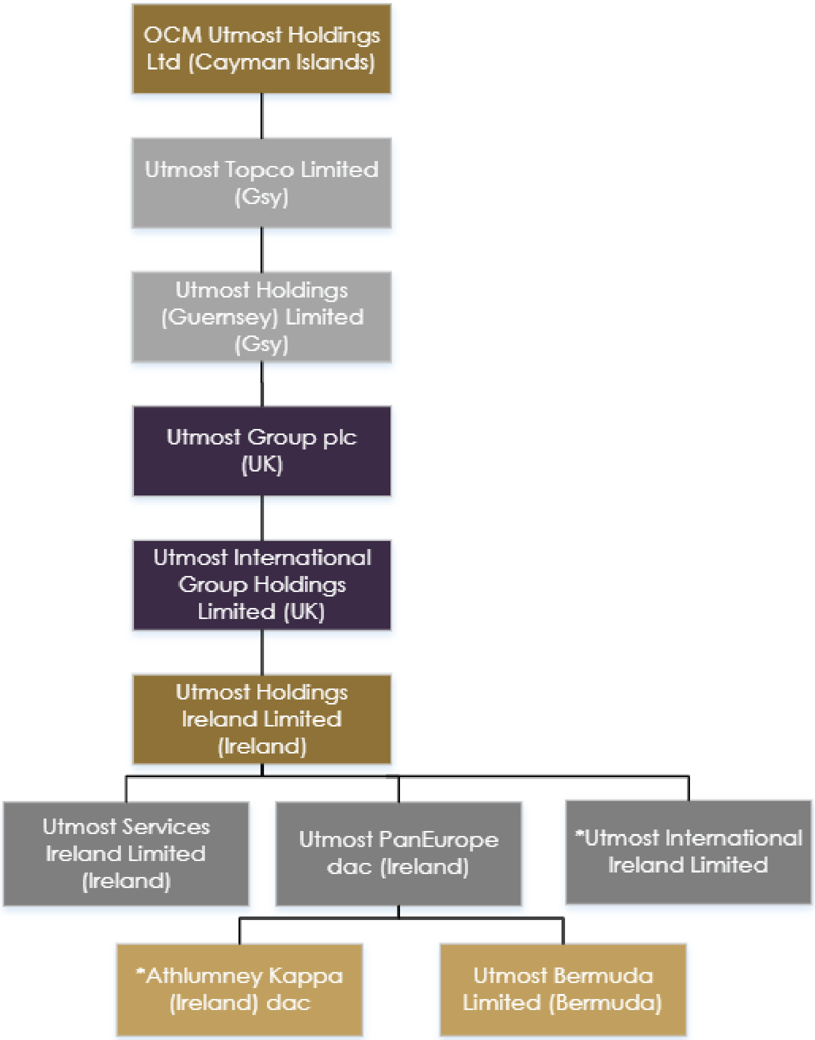
Auditors:
PriceWaterhouseCoopers
Spencer Dock,
North Wall Quay,
Dublin 1
T: (01) 792 6000

Supervisors:
Insurance Supervision Department
Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1
T: (01) 224 6000

Exhibit 4 UHIL Board of Directors as at 31 December 2023

Name	Position	Nationality	Date Appointed
William Finn	Independent Non-Executive Director	Irish	16 September 2015
Mike Davies	Independent Non-Executive Director	British	29 January 2021
Tim Madigan	Independent Non-Executive Director	Irish	8 December 2016
Paul Thompson	Non-Executive Director	British	11 November 2014
Ian Maidens	Non-Executive Director	British	11 November 2014
Karl Moore	Executive Director	British	1 April 2022
Henry O'Sullivan	Executive Director	Irish	26 July 2016

Exhibit 5 UHIL Ownership Structure at 31 December 2023 (100% ownership, unless otherwise stated):



*Utmost International Ireland Limited and Athlumney Kappa (Ireland) dac are dormant companies.

UHIL is a wholly owned subsidiary of Utmost International Group Holdings Limited, a United Kingdom ("UK") incorporated company specialising in the acquisition and consolidation of life assurance businesses.

As at 31 December 2023 UHIL owned wholly the following subsidiaries:

Exhibit 6 UHIL Subsidiaries

Subsidiary Name	Nature of Business
Utmost PanEurope dac	Life Insurance
Athlumney Kappa (Ireland) dac	Dormant Company
Utmost Services Ireland Limited	Management and Administration Services
Utmost Bermuda Limited	Life Insurance
Utmost International Ireland Limited	Dormant Company (Dissolved on 11 March 2024)

UHIL generated a profit after tax for the 2023 financial year of €20,244k (2022 restated: Loss of €4,644k).

UPE Business Operations

UPE's core business lines are as follows:

- Utmost Wealth Solutions: Insurance solutions aligned to local fiscal and regulatory laws, which may be tailored to meet the unique and exacting requirements of high and ultra-high-net-worth clients. These solutions are offered through the development and utilisation of UK and pan-European networks of private banking relationships. In some markets, we also offer retail and affluent individuals' flexible products for medium to long term financial planning.
- Utmost Corporate Solutions: Offering corporate entities alternative and simplified domestic and international employee benefit and group risk solutions.

Utmost Wealth Solutions income for UPE is in respect of fees which are charged for contract administration services, investment management services, payment of benefits and other services related to the administration of investment-linked contracts. Fees are recognised as revenue for the services provided. Utmost Corporate Solutions income is generated from a combination of policy servicing fees and the underwriting performance of existing policies.

Utmost Services Ireland Limited

All UHIL staff, with the exception of certain PCF role holders who are employees of UPE, are employees of USIL. USIL provides UPE with management and administrative services with USIL employees deployed to UPE as required. USIL also provides similar management and administrative services to UBL and UW.

Utmost Bermuda Limited

UBL's principal activity is that of a run-off book. UBL specialises in bespoke investment solutions for wealthy individuals in the form of unit linked life assurance policies and a small number of conventional life assurance policies. UBL has been closed to new business since 2004 and dedicated policies account for the majority of the funds under management.

A.2. UNDERWRITING PERFORMANCE

UHIL does not receive any direct gross written premium.

The most significant countries for UPE (by 2023 gross written premium for both Utmost Wealth Solutions and Utmost Corporate Solutions) are Ireland, Italy, the UK, Finland, Spain and Portugal.

Premiums received during the year relate to Wealth Solutions single and regular premiums, and Corporate Solutions premiums. Total 2023 gross written premiums were €2,553,998k.

Exhibit 7 UHIL Consolidated Gross Written Premiums

	31 December 2022 €'000	31 December 2023 €'000
UHIL Consolidated	2,810,095	2,553,998
UPE	2,290,737	2,553,998

The increase in UPE's 2023 gross written premiums was mainly due to the inclusion of premiums from the acquired former Quilter International Ireland dac book. 2023 figures include a full year of premiums for this book, compared with just one quarter in 2022.

The reduction in UHIL premiums is also mainly due to the former Quilter International Ireland dac book, which had reduced year on year premiums. UHIL figures for 2022 and 2023 include a full year of premiums for this book. The UPE and UHIL financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and applicable to companies reporting under IFRS as at 31 December 2023.

Detailed information on UHIL and UPE premiums, claims and expenses are included in S.05.01.02 in Section F Quantitative Reporting Templates.

A.3. INVESTMENT PERFORMANCE

The policyholder investments for UHIL include those held in UPE and UBL. UHIL does not hold any additional policyholder investments for the benefit of policyholders.

Investments for the Benefit of Life Assurance Policyholders who bear the Investment Risk

The investments linked to insurance policies are selected by policyholders, or their appointed advisers or, where applicable, by asset managers selected by the policyholders and appointed for the purpose by UPE. The value of assets under management is impacted by new business, asset and currency performance, fee deductions and policies maturing or surrendering each year.

Exhibit 8 UPE Investments for the benefit of life assurance policyholders who bear the investment risk

Policyholder Investments	31 December 2022 €'000	31 December 2023 €'000
Investments	21,105,149	24,368,153
Cash balances and short term deposits	2,043,168	1,512,058
Total	**23,148,317**	**25,880,211**
Breakdown of Investments		
Bonds	2,391,777	3,736,227
Equities	2,260,203	2,918,537
Funds	15,997,136	17,145,019
Derivatives	11,505	3,768
Other Investments	444,528	564,602
Total Investments	**21,105,149**	**24,368,153**

A combination of positive market movements and business growth accounted for the increase in policyholder investments in the year.

UHIL Financial Investments

UHIL financial investments are primarily bonds, investment funds and investments in subsidiaries owned by the shareholders of the Company.

The information contained in Exhibit 9a to Exhibit 10b is provided on an IFRS basis.

Exhibit 9a UHIL Financial and Subsidiary Investments

UHIL Financial Investments	31 December 2022 €'000	31 December 2023 €'000
Financial Assets		
Debt securities – Fair value through profit or loss	35,553	23,369
Debt securities – Amortised Cost	10,144	10,133
Investment Funds	105,666	142,231
Total Financial Assets	**151,363**	**175,733**
Property	7,720	6,737
Total Company Financial Investments	**159,083**	**182,470**

UPE Financial Investments

UPE financial investments are primarily bonds, investment funds and investments in subsidiaries.

Exhibit 9b UPE Financial and Subsidiary Investments

UPE Financial Investments	31 December 2022 €'000	31 December 2023 €'000
Financial Assets:		
Debt securities – Fair value through profit or loss	35,553	23,369
Debt securities – Amortised Cost	10,144	10,133
Investment Funds	100,179	136,646
Total UPE Financial Investments	**145,876**	**170,148**
Investment in Subsidiaries	**6,726**	**3,242**

Investment Income

Investment income on UHIL financial investments relates to income on bonds, interest on cash deposits and dividend income. Movements are recognised in the statement of comprehensive income in the period in which they arise.

Exhibit 10a UHIL Investment Income

Investment Income from Policyholder and Company Financial Investments	31 December 2022 €'000	31 December 2023 €'000
Income from financial assets at fair value through profit or loss	(3,246,549)	2,037,825
Income from financial assets at amortised cost	141	137
Total Investment Income	**(3,246,408)**	**2,037,962**

Exhibit 10b UPE Investment Income

Investment Income from Policyholder and Company Financial Investments	31 December 2022 €'000	31 December 2023 €'000
Income from financial assets at fair value through profit or loss	(2,331,864)	1,977,077
Income from financial assets at amortised cost	141	137
Total Investment Income	**(2,331,723)**	**1,977,214**

Investment income on UPE financial investments relates to income on bonds, income on cash deposits, and dividend income.

A.4. PERFORMANCE OF OTHER ACTIVITIES

Operating expenses for UHIL include administration and finance costs only.

Operating expenses for UPE include acquisition and other commission for direct insurance. The expenses include payroll costs as well as third party administrator related expenditure and office overheads. Depreciation of tangible fixed assets, amortisation of intangible fixed assets, write-off of intangible fixed assets and auditors' remuneration for the audit of the entity's financial statements are also included. Operating costs are charged through the technical account of the statement of comprehensive income.

Business Events During The Year

During 2023 the following business changes occurred in UHIL and UPE:

- Both UHIL and UPE adopted the IFRS 17 reporting standard, which applies to reporting periods beginning on or after 1 January 2023. IFRS 17 replaces the previous insurance contracts standard, IFRS 4. The full impact of the change in accounting standard is set out in both the UHIL and UPE financial statements.

Dividends

UHIL did not pay a dividend in 2023 (2022: €nil).

UPE paid a dividend of €22,500k on 12 April 2023 and €15,000k on 3 November 2023 to UHIL (2022: €50,000k).

Leasing Arrangements

UHIL, UPE and USIL have no material operating leases and no financial leases in place.

A.5. ANY OTHER INFORMATION

Brexit

UPE's products are made available in the UK in compliance with Art 10 of the Financial Promotions Order. Art 10 requires financial promotions to be approved by an FCA authorised entity, and that the insurer is either based in the European Economic Area ("EEA") or authorised in an approved jurisdiction. UPE's financial promotions are approved by Utmost Limited, which is FCA authorised, and UPE is authorised in jurisdictions approved under Art 10.

The approval of UPE's financial promotions will move from Utmost Limited to Utmost International Distribution Services Limited ("UIDSL") in April 2024.

Fitch Rating

On 15 June 2023, Fitch Ratings revised the Outlooks on its insurance subsidiaries' Insurer Financial Strength ("IFS") Ratings and Issuer Default Rating ("IDR") from Stable to Positive. The IFS Ratings for the operating entities, including UPE, were affirmed at 'A' and IDR at 'A-'. The Positive Outlook reflects the Group's improving business risk profile and increased scale, achieved whilst maintaining its strong operating profitability, robust capitalisation and conservative financial leverage.

B. System of Governance

The UHIL Board of Directors in seeking to apply best practice in corporate governance periodically establishes Committees to help it discharge its responsibilities in respect of the regulated entities within the UHIL Group. The Directors are satisfied that there is sufficient oversight of the Group's activities through the establishment of Audit Committees and other Board Committees by its principal subsidiary undertakings, such that Committees are not also required at the UHIL level.

The information provided on the System of Governance is primarily based on the governance structures in place within the authorised subsidiary, UPE.

B.1. GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

Corporate Governance represents the sum of the methods, models and planning, management and control systems that are required for the operation of UPE governing bodies.

UPE Corporate Governance is based on a number of cornerstones, such as the central role played by the Board, the correct management of situations that present conflicts of interest, transparency in disclosing decisions regarding the management of UPE, and the effectiveness of the Internal Control and Risk Management System.

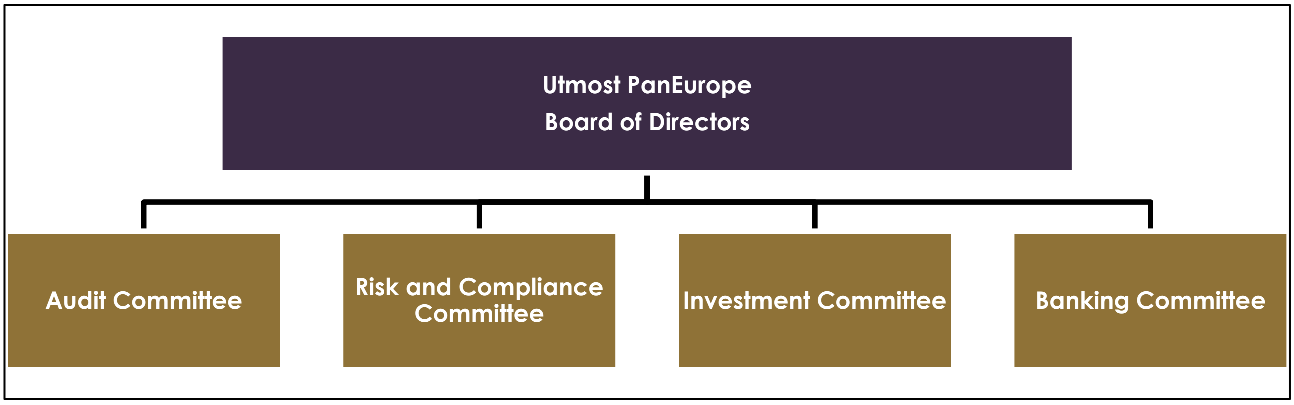
B.1.1. INFORMATION ON GENERAL GOVERNANCE

Risk governance is aimed at establishing an effective organisational structure based on a clear definition of risk roles and responsibilities, and on a set of policies, standards and operating procedures.

On an annual basis a detailed assessment of the System of Governance in place in UPE is undertaken against the European Insurance and Occupational Pensions Authority ("EIOPA") Guidelines on System of Governance. This assessment is then presented to the Risk and Compliance Committee. The most recent assessment was presented to the Risk and Compliance Committee in September 2023 and it was concluded that the System of Governance in place is appropriate and proportionate to the risks faced UPE and supporting evidence and documentation is in place to demonstrate the effective operation of the Three Lines of Defence.

As part of its governance structure, the UPE Board has established a series of Board Committees with specific delegated authorities.

Exhibit 11 UPE Governance Structure



The remit of each of the Committees outlined above is set out in their respective Terms of Reference which are subject to annual review and approval. Furthermore, the performance of each Committee is subject to annual review.

It is noted that the Remuneration Committee is a Committee of the UHIL Board.

Exhibit 12 Board Committees

Key Role	Description
Board of Directors	The Board ensures that the Risk Management system identifies, evaluates and controls the most significant company risks. Within the scope of its typical duties and responsibilities, the Board is ultimately responsible for setting strategies and policies in the area of Risk Management and internal control and ensuring their adequacy and sustainability over time, in terms of completeness, functioning and effectiveness. UPE has established the following Board committees: the Audit Committee, the Risk and Compliance Committee, the Investment Committee and the Banking Committee. In addition, UPE has established an ExCo.
Audit Committee	The purpose of the committee shall be to assist the board in the oversight of the quality and integrity of the financial statements and to review and monitor the effectiveness of the systems of internal control, the internal audit process, and to consider the outputs from the external auditor.
Risk and Compliance Committee	The purpose of the Committee shall be to assist the Board in the oversight of the risk and compliance management arrangements, including: • advising the Board on current risk exposures and future risk strategy, taking into account of the Board's overall risk appetite, the current financial position of the Company, and the capacity to manage and control risks within the agreed strategy; • monitoring adherence to risk governance and ensuring risks are properly identified, assessed, managed and reported; and • ensuring that relevant regulatory requirements have been identified and adequate arrangements are in place to ensure compliance.
Investment Committee	The Investment Committee has delegated responsibility for recommending overall strategic investment policy to the Board, and for undertaking oversight of investment activities, seeking to ensure that these are consistent with the approved Investment Policy.
Banking Committee	The Banking Committee is responsible for opening, change in purpose, or closure of all master custodian and corporate bank accounts in the name of UPE. The Committee is also responsible for the review and approval of appointments to the authorised signatory list and their levels of authorisation and approval.

B.1.2. INFORMATION ON RISK MANAGEMENT, INTERNAL AUDIT, COMPLIANCE AND ACTUARIAL FUNCTIONS INTEGRATION INTO THE ORGANISATIONAL STRUCTURE AND THE DECISION MAKING PROCESSES OF THE UNDERTAKING, STATUS AND RESOURCES OF THE FUNCTIONS WITHIN THE UNDERTAKING

In accordance with local Irish laws and Solvency II requirements, UPE has established Risk Management Systems which are defined as a set of strategies, standards, processes and procedures aimed at identifying, measuring, monitoring and reporting on a continuous basis the risks to which each company is exposed.

Risk governance is aimed at establishing an effective organisational structure based on a clear definition of risk roles and responsibilities, and on a set of policies, standards and operating procedures.

In addition, as part of its governance structure UPE has established a series of Board Committees with specific delegated authorities (as outlined within Section B.1.1 of this report).

The Internal Control and Risk Management System is put in place within UPE through a specific on-going process which involves, with different roles and responsibilities, the Board, ExCo and the organisational structures. The functions involved in the risk management process operate according to the Three Line of Defence approach:

- The operational structures (risk owners) are the First Line of Defence. The risk owners are ultimately responsible for risks concerning their area and to define and update the actions needed to make their risk management processes effective and efficient. They control the activity of the risk takers, who deal directly with the market and the internal and external parties and who define activities and programs from which risks may arise. The risk management initiatives defined by the risk owners address the way risk takers undertake risks. In addition, there are a number of support units (e.g. Actuarial) and oversight committees (risk observers) responsible for constantly monitoring specific risk categories, in order to measure and analyse them and to identity risk mitigation actions to the risk owners.
- The Risk Management, Compliance, Legal and elements of the Actuarial Function represent the Second Line of Defence. The Risk Management Function oversees the whole Risk Management System ensuring its effectiveness. It supports the Board and ExCo in defining the Risk Strategy and in the development of the methodologies to identify, take, assess, monitor and report risks. It also supports the operating units implementing and adopting the relevant policies and standards. The Head of Outsourcing, who reports to the Chief Risk Officer ("CRO"), is responsible for the overall execution of the outsourcing lifecycle; from the risk assessment to the final management of the agreement and subsequent monitoring activities. The Compliance Function is in charge of evaluating whether the internal processes are adequate to mitigate compliance risk. The Actuarial Function, through the Head of the Actuarial Function ("HoAF"), challenges the contents and assumptions of the Own Risk and Solvency Assessment ("ORSA") and provides an assessment on the range of risks, the adequacy of stress scenarios and the appropriateness of the financial projections included within the ORSA process and prepares the annual Actuarial Function Report.
- Internal Audit is the Third Line of Defence. Internal Audit is responsible for independently evaluating the effectiveness of the Internal Control and Risk Management System and for confirming the operational effectiveness of the controls.

The roles and responsibilities of each of the control functions (Risk Management, Compliance, Compliance, Actuarial and Internal Audit) and how they interact with the organisation in the execution of that responsibility are set out in their respective charters. The role of the Head of Outsourcing is articulated in the Outsourcing Oversight Framework.

As outlined in the Risk Management Policy, the Risk Management Function ensures the effective implementation of the risk management system, as required by law and as established by the Board.

The Risk Management Function supports the Board and ExCo in the definition of the risk management strategy and the development of tools for risk identification, monitoring, management and reporting.

B.1.3. INFORMATION ON AUTHORITIES, RESOURCES PROFESSIONAL QUALIFICATIONS, KNOWLEDGE, EXPERIENCE AND OPERATIONAL INDEPENDENCE OF THE FUNCTIONS AND HOW THEY REPORT TO AND ADVISE THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BOARD OF THE INSURANCE UNDERTAKING

UHIL has no directly employed employees and no PCF or Controlled Functions ("CF") individuals. UPE employees who are identified as holding PCF are all degree and/or professionally qualified. UPE relies on USIL for the provision of its business operations. The majority of USIL employees are degree and/or professionally qualified and all persons identified as holding PCF or CF positions are reviewed annually to ensure they meet the Central Bank of Ireland ("CBoI") Fit and Proper requirements.

B.1.4. MATERIAL CHANGES TO THE SYSTEM OF GOVERNENCE

It is noted that no changes occurred to the membership of the Board of Directors and Board Committees of UPE during 2023.

It is noted that no changes occurred to the membership of the Board of Directors and Board Committees of UBL during 2023.

B.1.5. REMUNERATION POLICY

The Remuneration Policy is approved annually by the Board. The remuneration strategy is based on the following principles, which guide the remuneration programmes and consequent actions:

- All staff are rewarded on the basis of both their individual role and contribution to the delivery of the business strategy.
- It is recognised that financial reward is only one aspect of staff recruitment and retention. The development of talent through non-financial measures, including training and education, is also beneficial and important.
- A performance management process that seeks to encourage performance improvement whilst supporting career development is in place.
- Remuneration packages offer competitive market rates for base pay, variable reward and benefits for all employees. It provides an appropriate balance with regard to the variable remuneration for short-term and medium to long-term contracts, in order to avoid adoption of conduct that favours short-term results over medium to long-term goals.
- Roles and performance are evaluated by Management on a fair and transparent basis who, while taking account of the different specialisms within UPE, seek to apply a consistent and objective methodology.
- Remuneration and supporting structures promote sound and effective risk management, including CRO review of annual bonus scheme structures.

Target Setting and Appraisal

Each year the Board defines specific targets, both financial and non-financial, against which performance, and thus any bonus payable, is measured.

UPE's goals and objectives are cascaded to all functions and individual employee goals are established and evaluated annually.

B.1.6. MATERIAL TRANSACTIONS DURING THE REPORTING PERIOD

Please refer to section B.1.4 regarding appointments and resignations during the year.

Please refer to section A.4 for material business activities identified during the year.

B.2. FIT AND PROPER REQUIREMENTS

A core component of the Group's effective risk culture is the knowledge and skills of its employees. To confirm that the right resources and skills are in place, UHIL and its subsidiaries have implemented a Fit and Proper Policy and related procedures in order to assess the fitness and probity both initially and on an on-going basis of the individuals who are performing key functions. The Policy and procedures have been developed in line with the Solvency II Directive and the associated CBoI Fitness and Probity standards.

On 29 December 2023, the conduct standards requirements and amendments to the fitness and probity regime, introduced as part of the Central Bank (Individual Accountability Framework) Act 2023, came into effect. UHIL and its subsidiaries are compliant with these requirements.

B.2.1. DESCRIPTION OF THE SPECIFIC REQUIREMENTS CONCERNING SKILLS, KNOWLEDGE AND EXPERTISE REQUIRED

The Boards of UHIL and UPE have adopted a Fit and Proper Policy in order to define the minimum standards to be applied in terms of fitness and probity to all relevant personnel identified in the Policy.

The Fit and Proper Policy also defines the procedure for assessing the fitness and probity of the relevant personnel (both when being considered for the specific position and on an ongoing basis), and a description of the situations that give rise to a re-assessment of the above-mentioned fit and proper requirements. Due diligence is undertaken on all persons designated as Pre-Approval Controlled Function ("PCF") or Controlled Function ("CF") role holders, to ensure that they comply with the Fitness and Probity Standards. The due diligence includes assessments of being Competent and Capable, Honest, Ethical and Acting with Integrity and Financial Soundness.

The annual fitness and probity review process is undertaken by the Human Resource ("HR") Function.

An annual PCF confirmation is submitted to the CBoI to confirm that all PCF role holders comply with the CBoI Fitness and Probity Standards.

The skill set of members of the Board and Board Committees is reviewed regularly.

B.2.2. PROCESS FOR ASSESSING THE FITNESS AND THE PROBITY OF THE PERSONS

The CBoI has designated a number of PCF roles for which prior approval of the role holder by the CBoI is required. A listing of the current PCF roles for UHIL and UPE are detailed below.

Pre-Approval Controlled Functions Roles

Exhibit 13a UPE Pre-Approval Controlled Functions Roles

Code	Definition
PCF1	Executive Director
PCF2A	Non-Executive Director
PCF 2B	Independent Non-Executive Director
PCF3	Chair of The Board of Directors
PCF4	Chair of the Audit Committee
PCF5	Chair of the Risk and Compliance Committee
PCF8	Chief Executive Officer
PCF11	Head of Finance
PCF12	Head of Compliance
PCF13	Head of Internal Audit
PCF14	Chief Risk Officer
PCF18	Head of Underwriting
PCF19	Head of Investment
PCF43	Head of Claims
PCF48	Head of Actuarial Function
PCF49	Chief Information Officer
PCF52	Head of Anti-Money Laundering and Counter-Terrorist Financing

Exhibit 13b UHIL Pre-Approval Controlled Functions Roles

Code	Definition
HCPCF1	Office of the Chair of the board of the holding Company
HCPCF2	Office of director of the holding Company

Controlled Functions Roles

In addition to the above, an assessment of roles which are classified as a CF is completed. UHIL and UPE are required to undertake due diligence on each CF and the Fitness and Probity requirements are applicable to all staff. The following CF roles are applicable to UPE and UHIL:

Exhibit 14 Controlled Functions Roles - UPE

Code	Definition
CF1	Ability to exercise a significant influence on the conduct of the affairs of a regulated financial service provider
CF2	Ensuring, controlling or monitoring compliance by a regulated financial service provider with its relevant obligations
CF4	Arranging a financial service for a customer of the regulated financial service provider
CF5	Assisting a customer in the making of a claim under a contract of insurance or reinsurance
CF6	Determining the outcome of a claim arising under a contract of insurance or reinsurance
CF7	Management or supervision of those persons undertaking CF3 to CF6 roles
CF8	Adjudicating on any complaint communicated to a regulated financial service provider by a customer
CF11	Dealing in or with property on behalf of the regulated financial service provider

HR manage the ongoing maintenance of employee data as it relates to Fitness and Probity, through the PCF and CF processes.

B.3. RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT

B.3.1. RISK MANAGEMENT SYSTEM

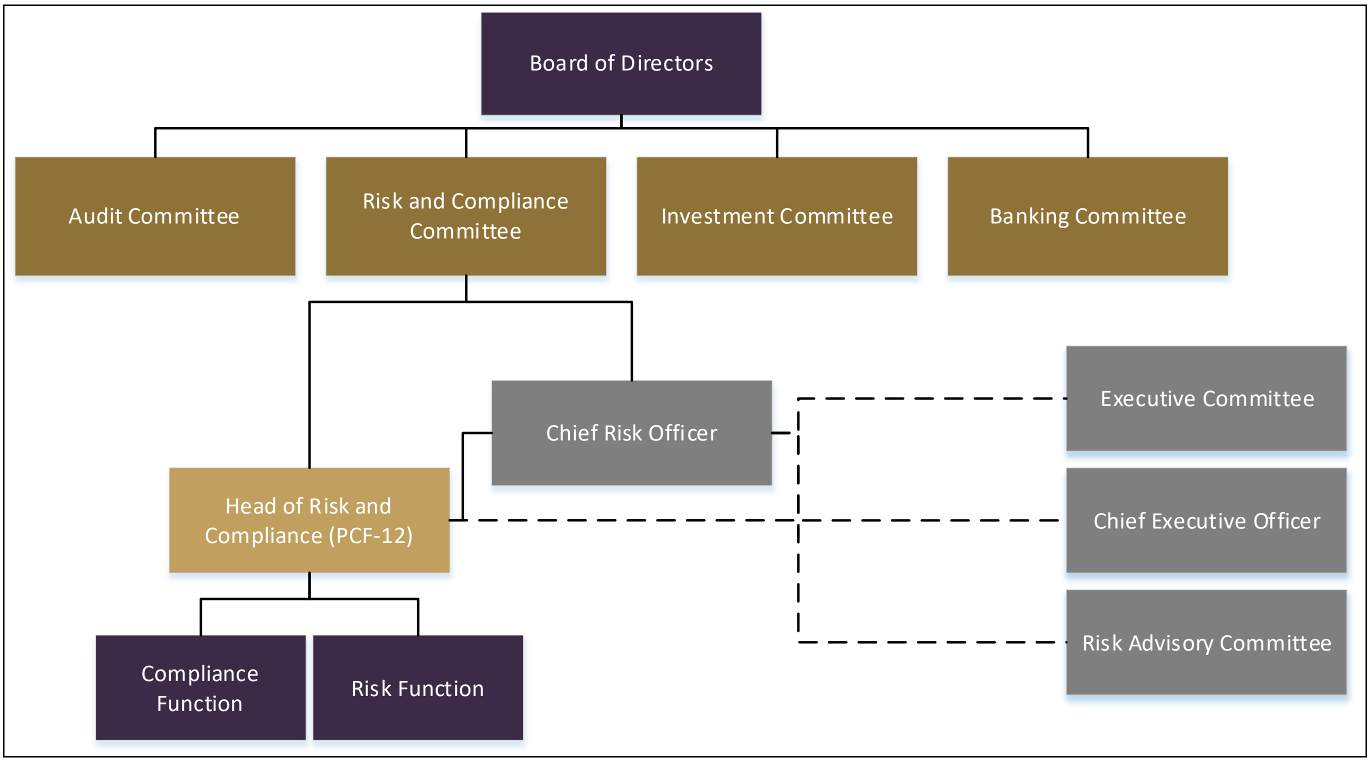
As outlined in the Risk Management Policy, the Risk Management Function ensures the effective implementation of the risk management system, as required by law and as established by the Board. The Risk Management Function supports the Boards and ExCo in the definition of the Risk Management strategy and the development of tools for risk identification, monitoring, management and reporting.

Risk Management Function

The Risk Management Function is separate from the operational business units and does not have operating responsibilities or a direct reporting line to those responsible for the operating activities. The independence of the Risk Management Function is guaranteed through its direct reporting line to the Risk and Compliance Committee. The structure of the function, including its reporting lines and its relationship with the various Committees that perform risk management tasks are set out below.

The Risk Management Function consists of the CRO of UPE supported by The Head of Risk and Compliance, two Risk Specialists, and one Risk Analyst. The Head of Outsourcing also reports to the CRO and is supported by two outsourcing analysts. The CRO's primary responsibility is to the Board. The diagram below illustrates the Risk Management structure and reporting lines:

Exhibit 15 Risk Management Structure and Reporting Lines



The Risk Management Function oversees the sustainability of the risk management system. The Risk Management Function supports the Boards, ExCo and departmental managers in defining risk management strategies and the instruments to monitor and measure risks, providing, through an appropriate reporting system, the elements for an assessment of the performance of the risk management system as a whole.

The Risk Management Function is responsible in particular for the following activities:

- Defining the risk measurement methodologies and models.
- Cooperating, with the Risk Owners, on the definition of the operating limits attributed to the operating structures and on the definition, with the first level functions (i.e. senior management) in charge of control, of the procedures for the prompt verification of such limits.
- Validating the information flows, prepared by the various Risk Owners, necessary to ensure the timely control of risk exposures and the prompt identification of any operational anomaly.
- Presenting appropriate reports to the Board and the Risk and Compliance Committee on the overall performance of the risk control and management system and its ability, in particular, to react to context and market changes, as well as on the development of risks and any instances in which the operating limits have been exceeded.
- Ensuring that the ExCo reacts in a timely manner to results from the stress tests if unexpected events or results are identified.

The Risk Management, Compliance, Legal and Internal Audit Functions are operationally independently from ExCo and have unfettered access to the Board.

Policy Framework
The documentation tree is structured into:

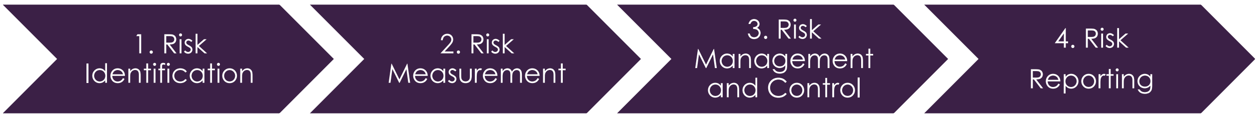
- Group Policies
- Group Standards
- Local Business Policies
- Local Business Standards.
- Local Business Operating Procedures.

Risk Management System
The purpose of the Risk Management System is to ensure that all risks to which UPE is exposed to are properly and effectively managed on the basis of the risk strategy defined, following a set of processes and procedures and based on clear governance provisions.

The principles defining the Risk Management System are provided in the Risk Management Policy, which is the cornerstone of all risk related policies and standards. The Risk Management Policy outlines all risks UPE is exposed to, on a current or forward-looking basis.

UPE's Risk Management process is defined in the following phases:

Exhibit 16 Risk Management Process



1. Risk Identification
The purpose of the risk identification phase is to ensure that all material risks to which UPE is exposed are properly identified. For that purpose, the Risk Management Function interacts with the main Business Functions in order to identify the main risks, assess their importance and ensure that adequate measures are taken to mitigate them according to a sound governance process. Within this process, emerging risks are also taken into consideration.

Based on Solvency II risk categories, and for the purpose of SCR calculation, risks are categorised according to the Risk Map below.

Exhibit 17 Risk Map

Financial Risks	Credit Risks	Insurance Risks	Other Risks
Interest Rate Yields	Credit Default	Mortality CAT	Operational
Interest Rate Volatility	Counterparty Default	Mortality no CAT	Liquidity
Equity Price		Longevity	Strategic
Equity Volatility		Morbidity/Disability	Reputational
Currency		Life Lapse	Contagion
Concentration		Expense	Emerging
Property		Health CAT	Regulatory / Compliance
Spread		Health Claim	Conduct
			Outsourcing
			Climate

2. Risk Measurement
UPE has formally adopted a number of risk assessment methodologies.

In compliance with Solvency II regulation, the SCR is calculated based on the EIOPA Standard Formula. On an annual basis both UPE complete an appropriateness assessment of the Standard Formula against each company's risk profile.

3. Risk Management and Control
UPE operate a Risk Management System in line with established strategy and processes. To ensure that the risks are managed according to the risk strategy, UPE follow the governance defined in the Risk Appetite Statement ("RAS"). This provides a framework for Risk Management embedding in business operations, control mechanisms as well as escalation and reporting processes.

The purpose of the RAS is to set the desired level of risk (in terms of risk appetite and risk preferences) and limit excessive risk-taking. Tolerance levels on the basis of capital and liquidity metrics are set accordingly. Should an indicator approach or breach the defined tolerance levels, escalation mechanisms are then activated.

4. Risk Reporting
Risk monitoring and reporting is a key risk management process which allows Business Functions, ExCo, Board and also the CBoI to be aware of, and informed about, the risk profile development, risk trends and any breaches of risk tolerances.

Risk factors are taken into consideration in the following decision making processes: Strategic Planning Process; Capital Allocation and Management; Asset Liability Matching and Investments; Solvency, Liquidity and Funding; Product Pricing, Development and Monitoring; Management Information; and Performance Management.

Risk Culture
A core objective of the Risk Management Function is to embed a positive and open risk management culture within UHIL and its subsidiaries. In support of this objective, risk management and compliance training is provided to all new staff. In addition, the following structures have been established in order to embed a risk culture:

- ExCo, supported by the Risk Management Function, meet regularly to review risk management issues and to integrate risk management thinking into the decision making process. Furthermore, material risk incidents and the results of risk assessments are reviewed, resulting in the required corrective actions being identified; and
- The Risk Management Function meet regularly with key departments to discuss Operational Risk.

The risk culture is further embedded within UPE through the following:

- The CRO is a member of ExCo and in the execution of his role integrates risk management thinking into the decision making process.
- The strategic planning process must remain consistent with the ORSA in order to include a risk based forward-looking view in the development of the strategic plan.
- The Risk Management Function is involved in the material initiatives which may impact on the risk profile of UPE. The role of the Risk Management Function is to integrate the risk management assessment methodologies into the decision making process by supporting the business in identifying, assessing and managing the risks associated with these initiatives.
- The Risk Management Function works closely with the business units to discuss core Risk Management activities and, in addition, providing advisory services.

B.3.2. INTERNAL MODEL FRAMEWORK: GOVERNANCE, DATA AND VALIDATION

This section is not applicable to UHIL.

B.3.3. ORSA PROCESS

The ORSA process is a key component of the Risk Management System which is aimed at assessing the adequacy of the solvency position and the risk profile on a current and forward-looking basis.

The ORSA process documents and assesses the main risks UHIL is exposed to or might be exposed on the basis of its Strategic Plan. It includes the assessment of the risks in scope of the SCR calculation, but also the other risks not included in the SCR calculation. In terms of risk assessment techniques, stress tests and sensitivity analysis are also performed with the purpose of assessing the resilience of the UHIL risk profile to changed market conditions or specific risk factors.

The ORSA Report is produced on an annual basis. The most recent UHIL ORSA Report was approved by the Board of Directors in June 2023. In addition to the annual ORSA Report, a non-regular ORSA Report will be produced if the risk profile of UPE or UHIL changes significantly.

All results are documented in the ORSA Report and which is reviewed by the Risk and Compliance Committees and the Boards. After discussion and approval by the Board, the ORSA Report is submitted to the CBoI. The information included in the ORSA Report is sufficiently detailed to ensure that the relevant results can be used in the decision-making process and business planning process.

UHIL and UPE's risk profile, including ORSA triggers which would prompt the undertaking of a non-regular ORSA Report, are monitored on an ongoing basis and reported to the Risk and Compliance Committees quarterly.

The HoAF provides an actuarial opinion on the ORSA. The opinions address the following areas:

- The range of risks and the adequacy of stress scenarios considered as part of the ORSA process.
- The appropriateness of the financial projections included within the ORSA process.
- Whether the undertaking is continuously complying with the requirements regarding the calculation of Technical Provisions and potential risks arising from the uncertainties connected to this calculation.

B.3.4. RISK EMBEDDING IN CAPITAL MANAGEMENT PROCESS

Capital management, strategic planning and risk management are strongly integrated processes. This integration is deemed essential to ensure alignment between business and risk strategies.

Through the ORSA process, the projection of the capital position and the forward-looking risk profile assessment contributes to the Strategic Planning and Capital Management process.

The ORSA Report also leverages on the Capital Management Plan to verify the adequacy, including the quality, of the Eligible Own Funds to cover the overall solvency needs on the basis of the plan assumptions.

To ensure the on-going alignment of the business strategy to UPE's risk appetite, the Risk Management Function actively supports the strategic planning process. This process includes strategy discussions, initiatives to be implemented, monitoring the business performance and oversight on risk and capital positions.

B.4. INTERNAL CONTROL SYSTEM

The Internal Control and Risk Management System, whose design and structure is approved by the Board, is the system in place to ensure that business activity complies with the law and with the various directives and procedures in place. It also ensures that UPE's processes are efficient and effective and that accounting and management information is reliable and complete.

Internal control comprises a set of tools that helps UPE reach their targets in line with the level of risk selected by ExCo and the Boards. Such targets are not restricted solely to business targets, but extend also to those connected with financial reporting as well as compliance with all internal and external rules and regulations, and take on varying importance depending on the risk that has been identified. It follows that the relevant internal control mechanisms take on a varying nature and form too, depending on the particular process or processes under the examination.

It is the responsibility of the Boards of Directors to encourage the development and spread of the 'culture of control', requiring senior management to make all staff aware of the importance of internal controls and the role that they play, as well as the added value that they represent to the business. Senior management is responsible for implementing both the 'culture of processes' and the 'culture of control' together with ensuring that employees are made aware of their individual roles and responsibilities regarding internal controls. The system of delegated powers and procedures governing the allocation of duties, the operating processes and the reporting channels is duly formalised and employees are sufficiently informed and receive adequate training in relation to such systems.

The effectiveness of the control mechanisms listed above is delivered not only by means of monitoring and control activities carried out throughout the entire organisational structure of the business, but also via suitable channels for reporting any breaches.

As a result, UPE's internal controls are organised on the basis of various operational levels and levels of responsibility, these being regulated and codified:

- The controls that are the duty of the organisational units that form an integral part of each company process and represent the basis of the internal control system.
- The controls carried out by the internal control functions (see Section B.4) whose main activity is to perform control tasks. Other non-operational functions which, in providing advice to other corporate functions, assist in implementing all internal control objectives (tax advice, advice on privacy issues, legal counsel, etc.).
- The independent assessment carried out by Internal Audit of the quality and effectiveness of the controls put in place by the other corporate functions (see Section B.5).

B.4.1. INTERNAL CONTROL FUNCTIONS

The UPE Risk Management, Compliance, Legal and Internal Audit Functions operate within the framework of specific policies that are subject to periodic updates and approval by the Boards. Specific regulations stemming from these policies govern in some detail the activities to be performed as part of the specific mission assigned, as well as the powers and responsibilities allocated by the Boards. Legal, Compliance and Risk Management Functions are involved where new material processes are drawn up and where changes are made to the organisational structure of the business. In particular, the Compliance Function must always be involved in the drafting of processes where the issue of compliance is relevant.

B.4.2. COMPLIANCE FUNCTION

UPE has established a Compliance Function within its overall Governance framework with the primary aim of facilitating the development of a compliance culture across the business. In this context, one of the core responsibilities of the Compliance Function is to reinforce and promote ethical standards of behaviour and compliance awareness within UPE.

The Compliance Function seeks to achieve this objective through the delivery of training to the Boards and staff relating to key compliance risks including:

- Anti-Money Laundering ("AML") and Counter Terrorism Financing ("CTF");
- Data Protection, including the requirements of the General Data Protection Regulation ("GDPR");
- Code of Conduct;
- Financial Sanctions;
- Anti-Fraud;
- Conflicts of Interest;
- New laws and regulations (upstream risk);
- Processes for the management of obligations arising out of contracts; and
- Managing claims and obligations arising from actual and potential/threatened legal claims and litigation (via the Legal Function).

The Compliance Function works closely with the business in order to assist in identifying, assessing and managing compliance risks. Through the facilitation of dedicated training and working closely with the business, Compliance Function promotes a positive compliance culture within UPE.

The UPE Head of Risk and Compliance reports to the Board. The Compliance Function is operationally independent from ExCo and has unfettered access to the Board.

In accordance with regulatory requirements, UPE has appointed a Money Laundering Reporting Officer ("MLRO") who acts as the Compliance Officer with responsibility for AML and CTF within the firm. The MLRO is readily accessible to all staff on AML, CFT and financial sanctions matters and reports to the Board on a quarterly basis. The MLRO has sufficient and appropriate AML and CFT knowledge and expertise, including knowledge of the applicable legal and regulatory AML/CFT framework, and the implementation of AML/CFT policies, controls and procedures along with the autonomy, authority and influence to allow the discharge of duties effectively thus providing effective challenge within the Firm on AML/CFT matters when necessary.

UPE has also appointed a Data Protection Officer ("DPO") who is responsible for monitoring activities and processes to ensure that the obligations, as set out by the relevant regulatory bodies are adhered to.

The UPE Compliance Function monitors compliance with all corporate legal and regulatory requirements that apply to business activities. These requirements include current legislation, regulations, regulatory standards and codes of practices. The scope of the requirements embraces both the country of establishment in which UPE is regulated and supervised, and the countries of sale where its products are distributed to customers.

To support this process, the Compliance Function presents a Compliance Monitoring Plan to the Risk and Compliance Committee and assesses progress against the plan on an ongoing basis. The Compliance Function conducts routine monitoring and surveillance over the First Line of Defense and reports the results to the Risk and Compliance Committee. The monitoring completed includes the following:

- AML and CTF: Conducting reviews of policyholder documentation for AML and CTF purposes. Performing AML and CTF risk assessments.
- Transaction Monitoring: Monitoring transactions for potentially suspicious activity and filing Suspicious Transaction Reports.
- Regulatory and legislation monitoring: Monitoring and recording legislative requirements and conduct of business obligations that apply to UPE.
- Data Protection: Conducting Data Protection monitoring and risk assessments, and GDPR related obligations.
- Online Training: Rolling out companywide training in areas such as AML, Data Protection and supporting the Code of Conduct training.
- Litigation: Monitoring and reporting on-going and recently closed litigation.
- Complaints: Monitoring and reporting on complaints.
- Financial Sanctions: Sanctions monitoring and reporting activities.

B.5. INTERNAL AUDIT FUNCTION

The Group Internal Audit Function ("GIAF") is an independent, effective and objective function established by the Group's Board to examine and evaluate the adequacy, functioning, effectiveness and efficiency of the internal control system and all other elements of the system of governance, with a view of improving the efficacy and efficiency of the internal control system, of the organization and of the governance processes. This is set out in the Internal Audit Policy. The Internal Audit Policy was presented and approved by the Board of Directors at its December 2023 meeting.

The GIAF supports the Board in identifying the strategies and guidelines on internal control and risk management, ensuring they are appropriate and valid over time and provides the Board with analysis, appraisals, recommendations and information concerning the activities reviewed. GIAF also carries out assurance and advisory activities for the benefit of the Board, the Senior Management and other departments.

GIAF's authority is enshrined in the Internal Audit Policy which is reviewed annually. Per the policy, the GIAF has full, free, unrestricted and timely access to any and all the organisation's records, physical properties, and personnel pertinent to carry out any engagement, with strict accountability for confidentiality and safeguarding of records and information.

The GIAF governs via the Utmost Internal Audit methodology. This methodology is aligned with the Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of auditing and for evaluating the effectiveness of the audit activity's performance. Given the delicate and important nature of the assurance role carried out within the business, all the personnel of the GIAF must have specific fit and proper requirements as requested by the Company's Fit and Proper Policies.

The activities of GIAF remains free from interference by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mental attitude. On an annual basis, the Group Head of Internal Audit ("GHoIA") confirms his independence and that of the GIAF to the Audit Committee.

On an annual basis, the GHoIA presents a proposed 12-month Internal Audit plan to the Audit Committee requesting approval.

This plan is developed based on an audit universe using a risk-based methodology, taking into account all past audit activities, the complete System of Governance output, the expected developments of activities and innovations and including input of senior management and the Board. The GHoIA reviews the Internal Audit plan on an ongoing basis and adjusts the plan in response to changes in the organisation's business, risks, operations, programs, systems, controls and findings. This review is informal and any change to the Internal Audit plan is first approved by the Chair of the Audit Committee.

Following the conclusion of each Internal Audit engagement, a written audit report is prepared and issued to the auditee and the auditee's hierarchy. The GHoIA, on a quarterly basis, provides the Audit Committee with a report on activities, status of open and overdue audit issues, any significant issues and audit reports issued during the period. However, in the event of any particularly serious situation, such as the emergence of a conflict of interest, the GHoIA will immediately inform the Audit Committee and the Board.

B.6. ACTUARIAL FUNCTION

The Actuarial Function within UPE performs the specified tasks as set out in Article 48 of the Solvency II Directive.

The key statutory responsibilities of the Actuarial Function under Article 48 of the Solvency II Directive are to review and validate the calculation of the Technical Provisions, provide opinions on the underwriting and reinsurance policies and assist the Risk Management Function with certain tasks. In addition, the Actuarial Function has a number of other responsibilities to support the business that are not specified under Solvency II, e.g. support for the ORSA process, business planning, provision of management information, and risk reporting etc.

The Actuarial Function of UPE is led by its HoAF, who reports to the UPE Chief Financial Officer ("CFO"). The HoAF has direct access to the UPE Board.

The Actuarial Function is responsible for the following activities under Solvency II:

- Coordinating the calculation of technical provisions;
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- Comparing best estimates against experience;
- Informing the Board of the reliability and adequacy of the calculation of technical provisions;
- Overseeing the calculation of technical provisions in the cases where approximations need to be used due to insufficient and/or inadequate data;
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk management system referred to in Article 44, in particular with respect to the risk modelling underlying the calculation of the capital requirements in the ORSA.

Each Board member receives an annual report from the HoAF that assesses the adequacy, appropriateness and reliability of technical provisions, underwriting, reinsurance, contributions to Risk Management and conflicts of interest. The report identifies any deficiencies or areas for improvement and provides recommendations as to how such improvements could be implemented.

The Actuarial Functions work closely with the Risk Management Function and has contributed to the Risk

Management System in the following ways:

- Contributed to and reviewed the ORSA Policy and provided feedback to the CRO.
- Provided quantitative analysis to support the ORSA process.
- Reviewed UPE's ORSA reports and provided feedback to the CRO on these reports, in particular on the range of risks and adequacy of the stress scenarios.
- Reviewed UPE's Underwriting Policies and associated documents. This review included a review of the alignment to the Risk Appetite Statements.
- Reviewed UPE's Reinsurance Policies and provided comments and recommendations on possible enhancements. This review included a review of the alignment the Risk Appetite Statement.
- Attended and actively contributed to:
  - The Risk and Compliance Committee, in particular review and consideration of Risk Incidents; and
  - The Investment Committee and Asset-Liability Matching activities.
- Assessed the appropriateness of the Standard Formula.
- Advised on the risks associated with product design.

The HoAF provides a separate opinion on every ORSA produced to the Board and CBoI.

During 2023 the Actuarial Function has reviewed the following:

- The calculation of the Best Estimate Liabilities ("BEL");
- The Capital Requirements
- The calculation of the Risk Margin; and
- The 2023 ORSA Report.

B.7. OUTSOURCING

The UPE operating model relies heavily on Outsourced Service Providers ("OSP") to provide key service elements. A failure of a critical OSP could result in a material disruption in service delivery to UPE policyholders.

In order to mitigate the risks associated with outsourcing, ExCo, in conjunction with the Risk Management Function and the Head of Outsourcing has implemented an Outsourcing Oversight Framework. This Framework includes a process for both the selection and the ongoing review and monitoring, of the individual outsourced service provider's performance. A due diligence process, which addresses all material factors that could impact on the potential service provider's ability to perform the required business activity, is undertaken prior to the appointment of all outsourcing providers.

UPE has adopted an Outsourcing Policy to establish the requirements for identifying, justifying and implementing material outsourcing arrangements. The Outsourcing Policy sets out minimum mandatory outsourcing standards, assigns the main outsourcing responsibilities and ensures that appropriate controls and governance structures are established within any outsourcing provision.

The Outsourcing Policy introduces a risk-based approach, adopting a proportionality principle to apply requirements according to the risk profile (distinguishing between critical and non-critical outsourcing) and the materiality of each outsourcing agreement. The outsourcing of critical or important operational functions or activities is managed in compliance with the relevant CBoI guidelines and processes.

UPE has implemented an outsourcing oversight process which is co-ordinated by the Head of Outsourcing. The output of the oversight process for critical outsourcing arrangements is reported to the Risk and Compliance

Committee on a quarterly basis and for non-critical outsourcing arrangements on an annual basis. Information on the critical and important OSPs for UPE, along with a high level description of the services provided is outlined below.

Exhibit 18 Critical / Important Outsourcers for UPE

Critical OSP	Core Services
Utmost Services Ireland Limited	Policy and investment administration services.
Utmost Administration Limited	Policy and Investment administration services and IT hosting services.
Utmost Limited *	Services to approve UPE's Financial Promotions for its Wealth Solution books of business in the UK Market.
SS&C International Managed Services Limited	Policy administration and associated services.
W.A Hienfeld B.V	Policy administration and associated services.
Cuna Mutual	Policy administration and associated services.
Sedgwick Sweden AB	Policy administration and associated services.

*** The approval of UPE's Financial Promotions will move from Utmost Limited to Utmost International Distribution Services Limited in April 2024.**

B.8. ANY OTHER INFORMATION

B.8.1. ASSESSMENT OF THE ADEQUACY OF THE SYSTEM OF GOVERNANCE TO THE NATURE, SCALE AND COMPLEXITY OF THE RISKS INHERENT IN THE BUSINESS

The UPE Board, as part of their ORSA process, has assessed its Corporate Governance system and has concluded that they effectively provide for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of the operations of the companies.

B.8.2. OTHER MATERIAL INFORMATION REGARDING THE SYSTEM OF GOVERNANCE

Business Continuity

UHIL and its subsidiaries have a Board approved Group Business Continuity and Resilience Policy and maintains comprehensive business continuity plans to ensure that critical business activities can be recovered in the event of a disruptive incident. This includes department specific Business Continuity and IT Disaster Recovery plans which detail the tasks required to recover critical business applications and services in the event of a disruptive incident. Business continuity testing is performed on a periodic basis and reporting on such is provided to the Board.

Information Technology and Cyber Security

Cyber security occupies a key position in the risk profile of the Company, and a breach of cybersecurity could potentially have a significant adverse impact, including possible reputational damage and significant costs arising in respect of incident response and business interruption. To mitigate these risks, a comprehensive suite of controls is in place designed to preserve the confidentiality, integrity and availability of the Company's information assets.

Senior Executive Accountability Regime ("SEAR")

The Senior Executive Accountability Regime (SEAR) requirements come in effect on 1 July 2024 and work is ongoing to ensure adherence to these requirements by the implementation date.

C. Risk Profile

UHIL and UPE calculate their SCR in line with the Solvency II Standard Formula.

UHIL, as a holding company, derives the majority of its risk from the life insurance subsidiary, UPE. UHIL had a solvency coverage ratio of 145% at year-end 2023.

UPE continues to be well capitalised relative to the risks that it faces. At year-end 2023, UPE had a solvency coverage ratio of 154%.

The primary difference between the UHIL and UPE risk profile is driven by the intercompany loan on the UHIL balance sheet, which is the key driver for the difference in Market Risk. The loan is denominated in GBP.

Further information on the breakdown of the SCR's is available in section E.2.2.

C.1. UNDERWRITING RISK

C.1.1. LIFE AND HEALTH UNDERWRITING RISK

Life and Health Underwriting risks relate to the risk of unfavourable underwriting and expense experience relative to assumptions and expectations resulting in reduced profitability for UHIL.

UHIL's exposure to Life and Health Underwriting Risk is predominantly through the insurance contracts sold by UPE.

As a life insurance company, UPE is at risk from the uncertainty in the assumptions used in the calculation of its liabilities. Assumptions are necessary for expectations of future claims (life or health claims), lapse rates and expenses among other items.

C.1.2. RISK EXPOSURE AND ASSESSMENT

The Risk Map, outlined in Section B.3.1, outlines the Life and Health Underwriting Risks which UPE is exposed to. The key Life and Health Underwriting Risks include:

- Lapse Risk, defined as the change in liabilities due to changes in the exit rates being different than expected. Exits can happen from either a partial or full surrender of a policy. This also includes the risk of a catastrophic event resulting in a mass lapse of policies;
- Expense Risk, defined as a change in the value of liabilities resulting from changes in the expenses incurred in servicing insurance contracts;
- Mortality Risk, defined as a change in the value of liabilities resulting from mortality rates being higher than expected leading to an increase in the value of insurance liabilities. Mortality Risk also includes Mortality Catastrophe Risk, defined as a change in the value of the liabilities, resulting from extreme or irregular mortality events; and
- Health Risk, defined as the change in the value of liabilities resulting in the level of health claims being higher than expected. It also includes Health Catastrophe Risk defined as the change in the value of liabilities, resulting from extreme or irregular events for the health insurance business.

The SCR amounts are calculated as prescribed by EIOPA.

- For Lapse Risk, the measurement is through the application of a permanent and a catastrophic stress to the underlying lapse rates.
- Expense Risk is measured through the application of stresses to the amount of expenses and expense inflation that the company expects to incur in the future.
- For the Mortality Risks, the uncertainty in insured population mortality and its impact on the Company is measured by applying permanent and catastrophe stresses to the policyholders' death rates.
- For the Health Risks, the uncertainty in insured population sickness or morbidity and its impact on the company is measured by applying permanent or catastrophic stresses to the policyholders' morbidity incidence and recovery rates.

UHIL's life underwriting risk capital requirement, which is the same as that for UPE, increased by €24,947k from €183,004k at year-end 2022 to €207,951k at year-end 2023. The increase was predominantly driven by an increase in the lapse risk capital requirement, which was mainly due to higher funds under management, assumption updates and methodology changes.

UHIL's health risk capital requirement was €16,932k at year-end 2023, which represents an increase of €3,975k from €12,957k at year-end 2022. This was driven by new claims net of recoveries, the excess of renewals over lapses and assumption changes during 2023.

UPE's health risk capital is the same as UHIL (i.e. same health risk exposures), which is referred to above.

C.1.3. RISK MANAGEMENT AND MITIGATION

UPE Reinsurance Strategy

UPE has reinsurance policies in place which set retention limits in relation to the level of insurance business to retain at an individual or group level. Amounts which exceed these limits are reinsured.

UPE's reinsurance arrangements are monitored in relation to the limits and strategy as per the Reinsurance Policies and the Risk Appetite Statements and in conjunction with the Utmost group's overall business strategy.

Product Approval Process

The Underwriting Policy outlines the following product preferences for UPE:

- A strong preference towards biometric risks (e.g. death, disability, critical illness),
- A strong preference towards unit-linked products,
- No preference for products including financial guarantees (e.g. pure traditional savings products),
- No preference for products including longevity options/ guarantees (e.g. life annuities)

UPE has a detailed product design and approval process in place which sets out the framework for product prioritisation, development, approval and management and this process ensures that there are appropriate governance practices throughout the product development lifecycle.

C.1.4. RISK SENSITIVITY FOR UNDERWRITING RISKS

UPE carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material underwriting risks. The results of this analysis showed that the most material impact on the SCR Coverage Ratio related to the lapse and expense stresses which is consistent with lapse and expense risks being key drivers of the overall SCR. The impact from the mortality and morbidity stresses was relatively small, consistent with the reinsurance risk mitigation in place.

C.1.5. NON-LIFE UNDERWRITING RISK

This section is not applicable to UHIL.

C.2. MARKET RISK

UHIL's market risk capital requirement is mainly driven by UPE's exposure to market risks through its Wealth Solutions business and in relation to its Shareholder Funds. A certain element of market risk is considered to be within appetite due to the nature of our business.

The primary difference between the UHIL and UPE Market Risk is driven by the intercompany loan (GBP denominated) on the UHIL balance sheet. This loan is between UHIL and its parent company Utmost International Group Holdings Ltd ("UIGH"). UPE is exposed to a fall in the value of GBP denominated assets in the SCR calculation. At a UHIL level, the intercompany loan partially offsets this exposure which in turn results in a decrease in the market risk SCR compared to UPE.

For the Corporate Solutions business, there is a general asset position held directly to cover the liabilities. These assets are mainly government and supranational bonds, as well as cash or cash equivalents. A proportion of bonds held by UPE are GBP denominated bonds which give rise to Currency Risk exposure. The loan liability on the UHIL balance sheet as described above offsets this exposure at a UHIL level. UPE is also exposed to Interest Rate Risk and Credit Spread Risk through its sovereign and corporate bond holdings.

In the case of the Wealth Solutions or unit-linked business, UPE invests premiums collected in financial instruments but does not bear the Market Risk directly. However, UPE is exposed with respect to earnings, as fund related fees are the main source of profits from this business line. Adverse developments in the markets directly affect the profitability, as fee income is reduced. The main risks that the unit-linked business is exposed to are equity, currency and credit spread risks.

C.2.1. RISK EXPOSURE AND ASSESSMENT

The key Market Risks that UPE is exposed to include:

- Equity Risk: a reduction in equity values reduces asset values and hence reduces future fee income.
- Interest Rate Risk: i) where movements in interest rates directly impacts the value of an asset as well as the value of a liability and hence future fee income, and ii) where movements in interest rates, including changes in the shape of the underlying yield curves, result in an increase in liabilities.
- Currency Risk: Movements in exchange rates affect fund values and hence associated future fee income. They also affect the value of surplus shareholder assets.
- Spread Risk: is defined as the risk of adverse changes in the market value of the assets due to changes in the market value of non-defaulted credit assets. The market value of an asset can decrease because

of spreads widening either because the market's assessment of the creditworthiness of the specific obligor decreases, which is typically accompanied by a credit rating downgrade, or because there is a market-wide systemic reduction in the price of credit assets.
- Property Risk: where movements in property values reduce asset values and future fee income.

UHIL's market risk capital requirement increased by €23,228k from €135,192k at year-end 2022 to €158,420k at year end 2023. This increase was mainly driven by the change in the UPE market risk capital requirement as discussed below noting the additional increase for UHIL is primarily due to the reduction in the UHIL loan as a result of dividends paid in 2023 increasing Currency Risk.

UPE's market risk capital requirement increased by €16,148k from €151,471k at year-end 2022 to €167,619k at year end 2023. This increase was primarily driven by the increase in the equity risk capital requirement, which was mainly due to higher funds under management and the increase in the EIOPA symmetric adjustment.

C.2.2. RISK MANAGEMENT AND MITIGATION

The following Risk Management and mitigation activities are in place for UPE:

- Asset and liability monitoring and reporting.
- Assets held in Shareholder Funds follow strict investment mandates with asset type and counterparty limits in place.
- Quarterly monitoring and reporting against the investment limits outlined in the RAS.

C.2.3. RISK SENSITIVITY FOR MARKET RISKS

UHIL carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material market risks. This analysis indicates that UHIL can withstand a severe market risk shock.

C.3. CREDIT RISK

C.3.1. RISK EXPOSURE AND ASSESSMENT

Credit risk covers the risk of incurring losses because of the inability of a counterparty to honour its financial obligations.

UHIL is mainly exposed to credit risk through its insurance subsidiaries.

UPE's main exposures to Default Risk include:

- The exposure that UPE has to the Italian Revenue relating to the Italian Tax Asset ("ITA"). This is a prepayment of policyholder capital gains tax that UPE makes to the Italian Revenue.
- The exposure that UPE has to reinsurance companies defaulting on their obligations.
- Counterparty default exposure from cash deposits.

There is a small amount of Counterparty Risk to UHIL that arises outside of its insurance subsidiaries, mainly on its cash balances held.

C.3.2. RISK MANAGEMENT AND MITIGATION

The UPE Board monitors UPE's solvency position with the ITA both included and excluded from UPE's Own Funds and the SCR. The Board has imposed internal hard and soft solvency ratio limits with the ITA excluded from UPE's Own Funds and SCR. An escalation process is required to be followed in the event of a breach of the hard or soft limits.

C.3.3. RISK SENSITIVITY FOR CREDIT RISKS

UHIL carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material credit risks. As part of UPE's capital policy, the solvency coverage ratio is monitored net of the ITA (i.e. impact of a full default of the Italian Revenue).

C.4. LIQUIDITY RISK

Liquidity Risk refers to the risk that UHIL and its subsidiaries will not be able to meet both expected and unexpected cash flow requirements.

Liquidity is actively managed by the insurance company subsidiaries. UPE manage Liquidity Risk to meet obligations and cash commitments due to unexpected contingent market situations, through an ongoing monitoring of actual and expected cash flows, and the availability of assets that can be sold easily without loss in the event of need. This activity aims to maintain high financial robustness both in the short, medium and long term horizons, which helps to mitigate Liquidity Risk and is the basis for the evaluation of the adequacy of the adopted measures.

Liquidity Risk also arises on payment of up-front commission to brokers.

UPE has a Liquidity Risk Policy in place which is reviewed and approved at least annually by the Board. The Policy outlines the strategies, principles and processes to identify, assess and manage present and forward-looking Liquidity Risks to which UPE is exposed.

It defines in particular:

- The processes and procedures to be followed to ensure an effective Liquidity Risk mitigation and management.
- The System of Governance in place, including roles and responsibilities.
- The internal and external reporting requirements.

The CFO is responsible for managing on-going liquidity requirements.

C.4.1. RISK EXPOSURE AND ASSESSMENT

Liquidity monitoring is completed by each insurance company rather than at the holding company level. When considering Liquidity Risks, key elements include the Wealth Solutions ITA payments and UPE new business commission strain. The majority of UPE's income is sourced from the Wealth Solutions business and is generated by issuing quarterly fee invoices to the relevant custodians. As a result, prompt fee collection is an important liquidity key performance indicator for UPE.

C.4.2. RISK MANAGEMENT AND MITIGATION

UPE manage Liquidity Risk to meet their own obligations and cash commitments along with unexpected contingent market situations, through the monitoring of actual and expected cash flows, and the availability of assets that can be sold easily without loss in the event of need. This activity is aimed at maintaining a high level of financial robustness both in the short and long term, which helps to mitigate liquidity risk and is the basis for the evaluation of the adequacy of the adopted measures.

The own fund assets of UPE are predominantly comprised of the ITA asset, investments in the subsidiaries, and a portfolio of AAA, AA, A, BBB rated sovereign, corporate and supranational bonds, investment funds and money market funds.

UPE maintains sufficient liquidity levels with specified limits relating to the minimum amount of shareholder assets invested in short term liquid investments such as deposit accounts or short-term bonds.

UPE carries out annual rolling five-year cash flow projections based on the Strategic Plan targets. These cash flow projections include a number of liquidity stress scenarios.

C.5. OPERATIONAL RISK

C.5.1. RISK EXPOSURE AND ASSESSMENT

Operational Risk is the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. Losses from events such as fraud, litigation, damages to premises, cyber-attacks and failure to comply with regulations are therefore covered in the definition. It also includes financial reporting risk but excludes strategic and reputational risks.

The prescribed Operational Risk SCR calculation is based on premium and insurance contract expense and technical provisions, as a result UHIL's Operational Risk is equal to the aggregate exposure of its insurance company subsidiaries.

Operational Risk is monitored at a UHIL level through the Risk Management Function as described in Section B.3.

In line with industry practices, UPE adopts the following Operational Risk classification categories:

- Internal fraud – defined as the losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy, excluding diversity/discrimination events, which involves at least one internal party.
- External fraud – defined as the losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party.
- Employment Practices and Workplace Safety – defined as the losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims, or from diversity/discrimination events.
- Clients, Products and Business Practices – defined as the losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements), or from the nature or design of a product.
- Damage to Physical Assets – defined as the losses arising from loss or damage to physical assets from natural disaster or other events.

- Business disruption and system failures – defined as the losses arising from disruption of business or system failures.
- Execution, Delivery and Process Management – defined as the losses from failed transaction processing or process management, from relations with trade counterparties and vendors.

Following best industry practices, UHIL's framework for Operational Risk management includes as main activities the risk incident reporting and loss data collection process, risk assessment and scenario analysis.

The risk incident reporting and loss data collection process involves the collection of losses incurred as a result of the occurrence of Operational Risk events and provides a backward-looking view of the historical losses incurred due to Operational Risk events.

The risk assessment and scenario analysis processes provide a forward-looking view on the Operational Risks UPE is exposed to. The Annual Operational Risk and Compliance Assessment provides a high-level evaluation of the forward-looking inherent and residual Operational Risks faced by UHIL. The outcomes of the assessment drive the scenarios assessed as part of the scenario analysis. Scenario analysis is a recurring process which provides a detailed evaluation of the key Operational Risks faced by UPE and their potential impact.

C.5.2. RISK MANAGEMENT AND MITIGATION

All operational activities reside within the insurance companies, and as such UHIL Operational Risks reside primarily within these entities.

UPE has identified the following key Operational Risks for the year-ended 31 December 2023:

Exhibit 19 UPE Key Operational Risks

Risk Category	Risk Description	UPE Mitigating Activities
Outsourcing Risk	The risk that entities providing services to UPE do not perform to the required standards. The risk includes a failure by UPE itself to adequately manage, monitor and oversee those outsourcing arrangements.	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • Outsourcing Management Framework, co-ordinated by the Head of Outsourcing, which includes a process for both the selection of and the ongoing review and monitoring of outsourced service providers' performance. • Assessments (including site/virtual visits where required) over new and existing Outsourced Service Providers. • Business Continuity Capabilities: Evidence of / Contractual requirement to perform business continuity testing.
Business Continuity and Cyber Risk	Business Continuity Risk is defined as the unavailability of staff, IT infrastructures or buildings following an event causing disruption, interruption or loss of products or services and have a material impact on the company. Cyber Risk is defined as the threat, vulnerabilities and consequences that could arise if data is not protected. It can be caused by external attacks to the IT systems in	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • Business continuity and disaster recovery planning and testing. • Independent third-party testing of the external defences along with the internal systems and access controls benchmarked against industry best practice.

Risk Category	Risk Description	UPE Mitigating Activities
	order to steal and manipulate data or make business services unavailable.	
Regulatory Risk	Risk of non-compliance with existing or future regulations.	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • Regulatory monitoring framework to identify new or changing regulations. • Formal processes and procedures in place for existing regulations. • Internal and external expertise to assist the business comply with all regulations. • Training for the Board and UPE staff relating to key compliance risks.
Conduct Risk	Conduct Risk is defined as risk of unfair customer outcomes arising from any element of the conduct risk lifecycle, which includes product design, sales and /or after sales processes and people, culture and governance .	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • A Product Lifecycle process that seeks to achieve greater efficiency and consistency of approach in delivering good outcomes for customers. • An Intermediary Monitoring Programme to oversee the performance and conduct of UPE's agents and brokers. • A fair and transparent complaints process to ensure that customers are treated fairly if things go wrong.
Policy Administration Risk	Risk of errors or delays in administration of policyholder assets including investment and claims management	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • Robust processes and controls in place over key operational processes. • Formal escalation procedures to address issues as they arise.
External Fraud Risk	External Fraud Risk is defined as the risk of fraud by a third party resulting in a financial loss to customers or UPE.	UPE has the following controls/processes in place to reduce the inherent risk to within tolerance: • Robust processes and controls in place over key operational processes. • Fraud awareness training to staff and UPE's partners. • Escalation process in place to quickly address any suspicious transactions.

C.6. OTHER MATERIAL RISKS

C.6.1. RISK CONCENTRATION

Concentration Risk is a concentration of risk exposures within particular areas (such as intermediaries, counterparties, clients and territories) which might give rise to a potential loss which could threaten the solvency or the liquidity position of the company, thus substantially impacting the company's risk profile. UPE seek to limit Concentration Risk by assigning concentration limits to counterparties, sectors and industries where appropriate.

UHIL's material risk concentrations are as follows:

- ITA – a material proportion of UPE's Own Funds are comprised of the ITA.

- Reinsurance Counterparties – UPE reinsurance counterparties are concentrated in a small number of reinsurers.

UPE mitigates the risk of the Concentration Risk of the ITA by monitoring UPE's solvency position including and excluding the ITA.

The UPE Board has imposed internal hard and soft solvency ratio limits with the ITA excluded from UPE's Own Funds. An escalation process is required to be followed in the event of a breach of the hard or soft limits.

UPE mitigates the Concentration Risk from reinsurers by implementing and monitoring exposures against Board approved concentration limits. UPE's exposure to these limits is reported to the Risk and Compliance Committee on a quarterly basis.

C.6.2. REPUTATIONAL RISK

UHIL defines Reputational Risk as the possibility of a potential decrease in UHIL's value or worsening of its risk profile, due to a reputational deterioration or to a negative perception of UHIL's or its insurance company subsidiaries image among its stakeholders. In particular, Reputational Risk is managed mainly as a second level risk originated from a first level risk (for example an operational or as a financial risk).

C.6.3. EMERGING RISKS

Emerging Risks arising from new trends or risks difficult to perceive and quantify, although typically systemic. These usually include changes to the internal or external environment, social trends, regulatory developments, technological achievements, etc. UPE mitigate these risks through investigation and monitoring of management actions. Emerging Risks can be described as follows:

- Perceived as potentially significant, but not fully understood;
- Their impacts not clearly defined in monetary terms;
- Inefficiency of conventional approaches in projecting their relative frequencies and distributions;
- Difficulties establishing nexus between the emerging risk's source and its consequences;
- Typically, outside the company's range of control; and
- Systemic such as climate change and ageing population.

Emerging Risks are considered, assessed and reported by using a 'PESTLE' analysis. PESTLE stands for political, economic, social, technological, legal and environmental, and by using this method, UHIL assesses potential emerging risks across six key macro and micro economic themes. UPE reviews the Emerging Risk Register on a quarterly basis and issues a report to the Risk and Compliance Committee.

C.6.4. STRATEGIC RISK

Strategic Risk is defined as the possible source of loss that might arise from the pursuit of an unsuccessful business plan.

For example, Strategic Risk might arise from making poor business decisions, from the substandard execution of decisions, from inadequate resource allocation, or from a failure to respond well to changes in the business environment.

ExCo and the Boards are involved in the strategic planning process of UPE, starting with the target setting phase through to the monitoring of processes. UPE has a number of specific strategic risk preferences and these are actively monitored through the RAS.

The UHIL Board is involved in the strategic planning process of UHIL, starting from the target setting phase through to the monitoring of processes.

C.6.5. CONTAGION RISK

UHIL defines Contagion Risk to be the probability that significant economic changes in one country will spread to other countries. Contagion can refer to the spread of either economic booms or economic crises throughout a geographic region. This risk is mitigated through the diversification of UHIL's business operations and products.

C.6.6. CLIMATE RISK

The decarbonisation of the global economy as it transitions towards net zero presents a number of risks and opportunities to the Company. The Company is exposed to physical climate impacts, low carbon transition risks and potential opportunities. Climate risk can arise from:

- Physical risk: Disruptions and damage to operations due to extreme weather events and chronic changes including temperature rises increase energy consumption.
- Transition risk: The transition to a net zero economy presents financial risks which can arise from a range of factors, including changes in policy, regulation, technology and customer sentiment. Climate-related metrics are being used to understand and assess the Company's exposure to these risks and potential impacts on asset valuations.
- Liability risk: Climate-related liability risks may arise directly or indirectly from the actions taken by firms in relation to climate change. These may crystallise where a perceived lack of action or lack of appropriate disclosures result in claims or legal action from external stakeholders. These risks will crystallise in full over a longer-term time horizon. The Company treats these risks as cross-cutting risks given they have the potential to manifest through a number of principal risk types within the Company's ERM Framework.

A Climate Risk Framework has been adopted by the Company to embed climate risk considerations in day-to-day processes. The Board oversees the delivery of the Sustainability Strategy, a key element of which is the management of climate-related risk and opportunities. The Company's approach to climate change is set out in its Corporate Social Responsibility policy.

C.6.7. SUSTAINABILITY STRATEGY

The Company is dedicated to making a positive difference, building a brighter future for our clients, and better serving all stakeholders. This is achieved through the delivery of insurance and savings solutions to grow and protect our clients' financial futures.

The Group remains committed to being a responsible business. It is imperative that we continue to consider the impact of our activities over the long term, not just for our clients, employees, and investors, but for future generations. The actions we take are underpinned by our broader purpose to make a positive difference, building a brighter future for our clients, and better serving all stakeholders.

Our Sustainability Strategy is framed along four pillars: Environmental Impact, Stakeholder Outcomes, Responsible Investment and People Development. The Strategy aims to integrate sustainability across our business to support the Group in making a positive difference.

In 2023, the Group's focus has been on reducing our operational Scope 1 and 2 carbon emissions, formalizing our Pathway to Net Zero and the ongoing engagement with our local communities.

C.7. ANY OTHER INFORMATION

On 15 June 2023, Fitch Ratings revised the Outlooks on its Utmost insurance subsidiaries' IFS Ratings IDR from Stable to Positive. The IFS Ratings were affirmed at 'A' and the IDR at 'A-'. The Positive Outlook upgrade reflects the Group's improving business risk profile and increased scale, achieved whilst maintaining its strong operating profitability, robust capitalisation and conservative financial leverage.

C.7.1. EXPECTED PROFIT INCLUDED IN FUTURE PREMIUMS

The total UPE expected profits included in future premiums is €6,587k at 31 December 2023, compared to €7,084k at 31 December 2022. The decrease is mainly due to the increase in paid-up legacy Vision policies, which was partially offset by the impact of the Corporate Solutions new business sold during 2023.

D. Valuation for Solvency Purposes

D.1. ASSETS

D.1.1. VALUATION OF ASSETS FOR SOLVENCY II BALANCE SHEET

The following paragraphs describe the value of assets for solvency and financial statements purposes, along with the valuation criteria and the common methodology used for the determination of fair value of assets and liabilities. The following sections are covered in the report below:

- Valuation of assets – explanation of differences between the financial statements and Solvency II balance sheet.
- Fair value hierarchy – explanation of methods used to classify assets into three levels, based on the inputs used in valuation techniques to increase consistency and comparability of fair value measurements.
- Guidance on fair value measurement approach – UHIL reviews its financial investments and classifies them in accordance with IFRS 13 'Fair Value Measurement'. The same approach is taken for investments held on behalf of life assurance policyholders who bear the Investment Risk.
- Valuation techniques – the methods used to maximise the use of observable inputs.

Exhibit 20a UHIL Solvency II Assets Valuation

UHIL Solvency II Asset Valuation	31 December 2022 €'000	31 December 2023 €'000
Solvency II Valuation	24,422,395	27,257,976
Statutory Accounts Valuation	24,680,833	27,480,257
Difference	**(258,437)**	**(222,282)**

UHIL's assets increased through a combination of positive market movements and organic growth of the business during the year.

Exhibit 20b UPE Solvency II Assets Valuation

UPE Solvency II Asset Valuation	31 December 2022 €'000	31 December 2023 €'000
Solvency II Valuation	24,091,496	26,890,039
Statutory Accounts Valuation	24,284,146	27,077,335
Difference	**(192,649)**	**(187,296)**

UPE's assets increased through a combination of positive market movements and organic growth of the business during the year.

Valuation of Assets

The UPE and UHIL financial statements have been prepared in accordance with IFRS as adopted by the EU and applicable to companies reporting under IFRS at 31 December 2023.

Certain assets are excluded or measured at fair value to comply with Solvency II principles. In particular, the exceptions and non-applicable items for UHIL are summarised in the table below.

Exhibit 21a UHIL Asset Exceptions under Solvency II

Valuation of Assets	Solvency II	Statutory Accounts	Difference
31 December 2023	**€'000**	**€'000**	**€'000**
Deferred tax assets	-	-	-
Deferred acquisition costs	-	54,055	(54,055)
Fixed assets	6,737	6,737	-
Intangible assets	-	145,672	(145,672)
Investments (other than assets held for index-linked and unit-linked funds)	175,334	175,804	(470)
Assets held for index-linked and unit-linked funds	26,229,793	26,229,793	-
Ceded reinsurance reserves	579,184	595,709	(16,525)
Receivables	73,700	79,261	(5,561)
Cash and cash equivalents	83,870	83,870	-
Withholding tax asset	109,357	109,357	-
Total Assets	**27,257,976**	**27,480,257**	**(222,282)**

Certain assets are excluded or measured at fair value to comply with Solvency II principles. In particular, the exceptions and non-applicable items for UPE are summarised below.

Exhibit 21b UPE Asset Exceptions under Solvency II

Valuation of Assets	Solvency II	Statutory Accounts	Difference
31 December 2023	**€'000**	**€'000**	**€'000**
Deferred tax assets	-	-	-
Deferred acquisition costs	-	81,319	(81,319)
Fixed assets	-	-	-
Intangible assets	-	83,450	(83,450)
Investments (other than assets held for index-linked and unit-linked funds)	173,020	173,461	(441)
Assets held for index-linked and unit-linked funds	25,880,071	25,880,071	-
Ceded reinsurance reserves	579,184	595,709	(16,525)
Receivables	72,418	77,979	(5,561)
Cash and cash equivalents	75,990	75,990	-
Withholding tax asset	109,357	109,357	-
Total Assets	**26,890,039**	**27,077,335**	**(187,296)**

The primary objective for valuation as set out in Article 75 of L1 - Dir (EIOPA guidelines) requires an economic, market-consistent approach to the valuation of assets and liabilities. According to the approach for Solvency II, when valuing balance sheet items on an economic basis, undertakings need to consider the risks that arise from a particular balance sheet item, using assumptions that market participants would use in valuing the asset or the liability.

Assets should be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.

Liabilities should be valued at the amount for which they could be transferred, or settled, between knowledgeable and willing parties in an arm's length transaction.

This valuation section describes the value of assets for Solvency II purposes and for financial statements, valuation criteria and the methodology used by UHIL for the determination of fair value of assets and liabilities.

The following analysis is included for UHIL:

Deferred Tax Asset

Deferred taxation is provided in the financial statements on timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for taxation purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted by the statement of financial position date. Deferred tax is not discounted.

In the Solvency II balance sheet, deferred tax assets and liabilities arise because there are differences between the value ascribed to an asset or a liability for tax purposes, and its value in accordance with the Solvency II principles.

A deferred tax asset ("DTA") should be recognised in the following cases:

- The Solvency II balance sheet value of an asset is lower than the related carrying value for tax purposes; or
- The Solvency II balance sheet value of a liability is higher than the related carrying value for tax purposes.

The DTA is netted against the Deferred Tax liability, as outlined in Exhibit 25.

Deferred Acquisition Costs ("DAC")

Commission costs incurred in the acquisition of new business are deferred as an explicit DAC asset. This asset is amortised against future revenue margins on the related policies. The DAC asset is reviewed for recoverability at the end of each accounting period against future revenue margins expected to arise from the related policies. They are the part of acquisition costs allocated to future reporting periods. DAC is recognised under IFRS but is disallowed for Solvency II asset valuation purposes. As a result, the DAC asset for Solvency II decreased by €81,319k.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the original cost of these assets over their estimated useful lives in equal instalments. There is no valuation difference under Solvency II and the financial statements.

Intangible Assets

Intangible assets of €83,450k represents the AVIF on the acquisition of UPE, Ex-Quilter and the Athora books of business. Key assumptions include future lapse, renewal and expense assumptions. The AVIF is amortised in line with the projected run-off of the Solvency II best estimate liabilities. The AVIF is reviewed for impairments at each reporting date by reference to the value of future profits in accordance with Solvency II principles. Intangible assets are valued at nil under Solvency II, which resulted in an asset decrease of €83,450k.

Investments including assets held for index-linked and unit-linked funds
In the statutory financial statements UHIL has classified its financial assets into the following categories:

- Assets held at fair value through profit or loss

Financial assets held to back investment contracts and one of UPE's solvency portfolios have been designated upon initial recognition as at fair value through profit or loss and are carried at fair value. The basis of this designation is that financial assets and liabilities in connection with investment contracts are managed and evaluated together on a fair value basis. This designation eliminates or significantly reduces a measurement inconsistency that would otherwise occur if these financial assets were not measured at fair value and the changes in fair value were not recognised in the statement of comprehensive income account. There is no valuation difference under Solvency II and the financial statements.

- Amortised cost investments

UPE holds a solvency portfolio which consists of relatively long dated bonds (or fixed income securities) which are held for asset-liability matching purposes. UPE has classified these as amortised cost investments and has the positive intention and ability to hold them to maturity. After initial measurement, these investments are measured at amortised cost using the effective interest rate method, less impairment. The amortisation, and any impairment, is included as investment income. In the Solvency II balance sheet these assets are revalued on a fair value basis. As a result, on a fair value basis the valuation for Solvency II decreased by €441k.

- Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value are recognised immediately in the statement of comprehensive income account. Fair values are obtained from the quoted market prices in active markets. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. All derivatives are held within policyholder investments, there are no policyholder investments in derivatives.

Listed investments are valued at current bid-price on the statement of financial position date. Unlisted investments for which a market exists are also stated at the current mid-price on the statement of financial position date or the last trading day before that date.

The value of other unlisted investments, for which no active market exists, are established at directors' best estimate of fair value, based on third party information or valuations provided by counterparties, or valued at cost and reviewed for impairment at the statement of financial position date. There is no valuation difference under Solvency II and the statutory financial statements.

Ceded reinsurance reserves
This amount represents the reinsurers' share of technical reserves. The ceded reinsurance reserves for Solvency II decreased by €16,525k. Please refer to section D.3.1 for a detailed narrative on the valuation of technical liabilities.

Receivables
Receivables mainly represent amounts owing within UPE. Receivables are held at initial book value in the financial statements and are recoverable within one year. There is a valuation difference of €4,760k between Solvency II and the statutory financial statements.

Cash and cash equivalents
Cash is a liquid asset and comprises cash holdings in current accounts. Balances are held at initial book value in UHIL's financial statements. There is no valuation difference under Solvency II and the statutory financial statements.

Italian Tax Asset
UPE, as an Italian Tax Agent is required to make an annual tax prepayment to the Italian Tax Authorities of 0.45% of the Italian assets under administration at 31 December. Contributions to the Italian Revenue are recognised as a tax prepayment asset. There is no valuation difference under Solvency II and the statutory financial statements.

Fair Value Hierarchy
IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy'. The hierarchy categorises the inputs used in valuation techniques into three levels. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs:

Level 1 inputs
Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 inputs
Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or the liability, either directly or indirectly.

Level 3 inputs
Level 3 inputs are unobservable inputs for the asset. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Guidance on Fair Value Measurement Approach
The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

A fair value measurement requires an entity to determine all of the following:

- The particular asset or liability that is the subject of the measurement (consistently with its unit of account);
- For a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use);
- The principal (or most advantageous) market for the asset or for the liability; and

- The valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or the liability and the level of the fair value hierarchy within which the inputs are categorised.

IFRS 13 provides further guidance on the measurement of fair value, including the following:

- An entity takes into account the characteristics of the asset or the liability being measured that a market participant would take into account when pricing the asset or the liability at measurement date (e.g. the condition and location of the asset and any restrictions on the sale and use of the asset);
- Fair value measurement assumes an orderly transaction between market participants at the measurement date under current market conditions;
- Fair value measurement assumes a transaction taking place in the principal market for the asset or the liability, or in the absence of a principal market, the most advantageous market for the asset or the liability;
- A fair value measurement of a non-financial asset takes into account its highest and best use;
- A fair value measurement of a financial or non-financial liability or an entity's own equity instruments assumes it is transferred to a market participant at the measurement date, without settlement, extinguishment, or cancellation at the measurement date;
- The fair value of a liability reflects non-performance risk (the risk the entity will not fulfil an obligation), including an entity's own credit risk and assuming the same non-performance risk before and after the transfer of the liability; and
- An optional exception applies for certain financial assets with offsetting positions in market risks or counterparty credit risk, provided conditions are met (additional disclosure is required).

Valuation Techniques

An entity uses valuation techniques appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The objective of using a valuation technique is to estimate the price at which an orderly transaction to sell the asset would take place between market participants and the measurement date under current market conditions. Three used valuation techniques are:

- Market approach – uses prices and other relevant information generated by market transactions involving identical or comparable (similar) assets/liabilities or a group of assets/liabilities (e.g. a business).
- Cost approach – reflects the amount that would be required currently to replace the service capacity of an asset (current replacement cost).
- Income approach – converts future amounts (cash flows or income and expenses) to a single current (discounted) amount, reflecting current market expectations about those future amounts.

In some cases, a single valuation technique will be appropriate, whereas in other cases multiple valuation techniques will be appropriate.

Further information on UPE’s assets is included in S.02.01.01 in Section F.

D.2. TECHNICAL PROVISIONS

The Life Technical Provisions as at 31 December 2023 have been assessed adopting methodology and techniques which are compliant with the Solvency II framework and are proportionate to the nature, scale and complexity of the business in question.

Life Technical Provisions results as at 31 December 2023 are set out in the table below. The table shows that at 31 December 2023 UPE accounts for 98.64% of UHIL technical provisions, with the remaining 1.36% accounted for by UBL.

Exhibit 22a UHIL Main Technical Provisions Results

UHIL Main Technical Provisions	31 December 2022 €'000	31 December 2023 €'000
Best Estimate of Liabilities	23,676,261	26,409,298
Risk Margin	138,817	169,053
Gross Technical Provisions	**23,815,078**	**26,578,351**
Reinsurance Recoverable	(528,982)	(579,184)
Net Technical Provisions	**23,286,096**	**25,999,167**

Exhibit 22b UPE Main Technical Provisions Results

UPE Main Technical Provisions	31 December 2022 €'000	31 December 2023 €'000
Best Estimate of Liabilities	23,353,051	26,055,171
Risk Margin	138,817	169,053
Gross Technical Provisions	**23,491,868**	**26,224,224**
Reinsurance Recoverable	(528,982)	(579,184)
Net Technical Provisions	**22,962,886**	**25,645,040**

The total net technical provisions increased due to positive market performance and new business, partially offset by policyholder withdrawals due to lapses or surrenders.

The difference between IFRS reserves and SII technical provisions is due to the methodology differences between the two valuations. The Solvency II valuation is based on the projection of future cash flows performed using best estimate assumptions, and discounting using the current interest rate term structure. The valuation of the IFRS reserves is based on technical provisions calculated in accordance with:

- IFRS 9 for investment classified contracts, which excludes any beneficial provisions; and
- IFRS17 for insurance classified contracts which is more aligned to the Solvency II approach but uses some different assumptions and also includes elements such as the contractual services margin which are not part of the SII framework

The main factors that have an impact on the technical provisions are set out below:

- The best estimate assumptions;
- The application of contract boundaries; and
- Projected SCRs: The risk margin is a constituent part of the total technical provisions. As the risk margin is based on projected SCRs the method and assumptions used in projecting these SCRs can have a sizeable impact on the resulting risk margin.

In calculating the technical provisions, UPE has made material judgments in relation to:

- The choice of what are deemed to be best estimate assumptions;
- The use of certainty equivalent deterministic calculations;
- The choice of method used in calculating the risk margin; and
- The application of contract boundaries.

Best Estimate of Liabilities

The Best Estimate of Liabilities ("BEL") is defined as the probability-weighted average of future cash-flows, taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure.

The projected future cash flows typically include:

- Regular premium receipts (subject to contract boundaries);
- Claims payments with an allowance for any early discontinuance charges;
- Expenses;
- Commissions;
- External fund charges;
- Costs associated with the ITA; and
- Profit share payments.

These cash flows are then discounted using the relevant risk-free rates provided by EIOPA to obtain the gross BEL.

Reinsurance Recoverable

Reinsurance recoverable is defined as the present value of the future cash flows arising from the reinsurance contractual agreements.

Risk Margin

In addition to the best estimate liabilities, Solvency II technical provisions include a risk margin to cover the cost of capital held each year in respect of non-hedgeable risks.

Description of the Level of Uncertainty of Life Technical Provisions Valuation

The key sources of uncertainty for the company are expenses, lapses and market movements. It is noted that no significant simplified methods were used to calculate technical provisions, including those used for calculating the risk margin.

Neither UHIL nor UPE apply a volatility adjustment, as referred to in Article 77d of Directive 2009/138/EC.

No Basic Own Fund items have been subject to transitional arrangements.

Further information on the technical provisions is included in S.02.01.01 in Section F.

D.3. OTHER LIABILITIES

D.3.1. VALUATION OF LIABILITIES FOR SOLVENCY II BALANCE SHEET

The following paragraphs describe the valuation criteria and the common methodology used by UPE for the determination of fair value of other liabilities.

Valuation of Liabilities

In the Solvency II environment, fair value should be generally determined in accordance with IFRS. Certain liabilities are excluded or fair valued to comply with Solvency II principles. In particular, the exceptions and non-applicable items for UHIL are as follows.

- Technical liabilities;
- Deferred taxes;
- Financial liabilities;
- Deferred income liability;
- Other liabilities; and
- Contingent liabilities (not applicable to UPE).

Exhibit 23a UHIL Solvency II Liabilities Valuation

UHIL Solvency II Liabilities Valuation	31 December 2022 €'000	31 December 2023 €'000
Solvency II Valuation	24,088,393	26,858,274
Statutory Accounts Valuation	24,431,466	27,201,379
Difference	**(343,073)**	**(343,105)**

UHIL's liabilities increased through a combination of the positive market movements and organic growth of the business during the year.

Exhibit 23b UPE Solvency II Liabilities Valuation

UPE Solvency II Liabilities Valuation	31 December 2022 €'000	31 December 2023 €'000
Solvency II Valuation	23,676,286	26,441,222
Statutory Accounts Valuation	24,056,656	26,820,283
Difference	**(380,370)**	**(379,061)**

UPE's liabilities increased in 2023 mainly due to the growth in policyholder Technical Provisions, matching the growth in investment values.

Exhibit 24a UHIL Value of Liabilities

Values of Liabilities 31 December 2023	Solvency II Value	Statutory Accounts Value	Difference
	€'000	€'000	€'000
Technical liabilities - life (including index-linked and unit-linked)	26,578,351	26,887,168	(308,817)
Deferred tax liabilities	46,374	23,699	22,676
Financial liability - group loan	50,754	50,754	-
Deferred income liability	-	56,964	(56,964)
Other liabilities	159,724	159,724	-
Subordinated liability	23,070	23,070	-
Total Liabilities	**26,858,274**	**27,201,379**	**(343,105)**

Exhibit 24b UPE Value of Liabilities

Values of Liabilities 31 December 2023	Solvency II Value	Statutory Accounts Value	Difference
	€'000	€'000	€'000
Technical liabilities - life (including index-linked and unit-linked)	26,224,224	26,533,041	(308,817)
Deferred tax liabilities	46,913	14,102	32,810
Deferred income liability	-	103,055	(103,055)
Other liabilities	147,016	147,016	-
Subordinated liability	23,070	23,070	-
Total Liabilities	**26,441,222**	**26,820,283**	**(379,061)**

The valuation section describes the value of liabilities for solvency purposes and for financial statements, valuation criteria and the common methodology used by UHIL for the determination of fair value of assets and liabilities.

The following analysis is included for UHIL:

Technical Liabilities

The technical liabilities comprise the technical provisions for life assurance policies where the investment risk is borne by the policyholders, the provision for claims, the life assurance provision and the provision for unearned premiums.

Under Solvency II, technical provisions comprise the BEL and risk margin. The BEL recognises the cash flow required to meet policyholder liabilities, while the risk margin represents a prudent margin for unavoidable uncertainty.

Please refer to section D.2 for detailed narrative on the valuation of technical provisions.

Deferred Tax Liability

In the Solvency II balance sheet, deferred tax assets and liabilities arise because there are differences between the value ascribed to an asset or a liability for tax purposes, and its value in accordance to the Solvency II principles.

Therefore, a deferred tax liability ("DTL") should be recognised in the following cases:

- The Solvency II Balance Sheet value of an asset is higher than the related carrying value for tax purposes; or
- The Solvency II Balance Sheet value of a liability is lower than the related carrying value for tax purposes.

A DTL is the recognition of a tax debt to be paid at a later date because of a future profit which is already anticipated in the economic balance sheet. This profit (i.e. the difference between the market value and the book value) leads to an increase of the net asset value. A DTL will be recognised for unrealised taxable gains such as an increase of a financial asset value, or a decrease of the value of Technical Provisions when shifting from book value to market value. The adjustments that gave rise to a net DTL are set below. The net DTL for Solvency II increased by €32,810k at year-end 2023.

Exhibit 25 UHIL Solvency II Balance Sheet Adjustments and Deferred Tax Liability Impact

Solvency II Balance Sheet Adjustments 31 December 2023	Adjustment to Balance Sheet €'000	Deferred Tax Liability Impact €'000
Investments – FV of HTM Bonds	(470)	(59)
Technical Provisions	308,817	38,602
Elimination of Deferred Income Liability	56,964	7,121
Reinsurers share of technical provisions	(16,525)	(2,066)
Elimination of deferred acquisition costs	(54,055)	(6,757)
Elimination of intangible assets	(145,672)	(18,209)
Receivables	(5,561)	(695)
Total	**143,499**	**17,937**

Financial Liabilities

In 2018 UPE issued a £20,000k loan to another group company, Utmost Limited. The loan was transferred to UIIOML on 30 November 2022. The balance outstanding at 31 December 2023 amounted to €23,070k. There is no valuation difference between the Solvency II and the statutory financial statements. Note that the £20,000k Loan Note issued by UPE to UIIOML was established as a Tier 2 Capital instrument. There is a UPE liability for this on the Solvency II Balance sheet of €23,070k declared as a Subordinated Liability in Basic Own Funds.

Deferred Income Liability

A portion of the unit-linked front-end fees received at the inception of a contract and anticipated future margins such as actuarial funding is deferred and presented as a deferred income liability ("DIL"), gross of tax, in the financial statements. The liability is amortised over the expected term of the contract. DIL is recognised under IFRS but is disallowed under Solvency II.

Other Liabilities

Other liabilities represent amounts owing by UPE. Other liabilities are held at initial book value in UHIL's financial statements. There is no valuation difference between the Solvency II and the statutory financial statements.

Contingent Liabilities

UHIL does not have any material contingent liabilities that were recognised as a liability under the requirements of Solvency II.

Fair Value Measurement Approach

The fair value measurement approach for other liabilities is outlined above.

Further information on liabilities is included in S.02.01.01 in Section F.

D.4. ALTERNATIVE METHODS FOR VALUATION

UHIL or UPE do not use any alternative methods for valuation.

D.5. ANY OTHER INFORMATION

No other information noted.

E. Capital Management

E.1. OWN FUNDS

According to the Article 87 of the Directive 2009/138/EC (hereinafter 'Directive' or 'L1 – Dir"), Own Funds comprise the sum of Basic Own Funds, referred to in Article 88 and Ancillary Own Funds referred to in Article 89.

E.1.1. CAPITAL MANAGEMENT POLICIES

UPE has a Capital Management Policy in place which is approved on an annual basis by the Board and includes the following:

- A description of the procedure to ensure that own fund items, both at the time of issue and subsequently, meet the requirements of the applicable capital and distribution regime and are classified correctly as the applicable regime requires;
- A description of the procedure to monitor the issuance of Own Fund items according to the medium-term capital management plan;
- A description of the procedure to ensure that the terms and conditions of any own fund item are clear and unambiguous in relation to the criteria of the applicable capital regime; and
- A description of the procedures to:
    - ensure that any Policy or statement in respect of ordinary share dividends is taken into account in consideration of the capital position; and
    - identify and document instances in which distributions on an Own Funds item are expected to be deferred or cancelled.

In addition to the Capital Management Policy, UPE prepares a Capital Management Plan which is approved by the Board on an annual basis. The purpose of the Capital Management Plan is to outline the capital requirements of UPE.

Planning and managing Own Funds are a core part of the strategic planning process.

Basic Own Funds

According to Article 88 of L1-Dir, Basic Own Funds is defined as the sum of the excess of assets over liabilities (reduced by the amount of own shares held by the insurance or reinsurance undertaking) and subordinated liabilities.

The components of the excess of assets over liabilities are valued in accordance with Article 75 and Section 2 of the Directive, which states that all assets and liabilities must be measured on market consistent principles.

Basic Own Fund items shall be classified into three tiers, depending on the extent to which they possess specific characteristics. Article 69 of Delegated Acts issued at October 2014 (hereinafter 'L2 – DA' or 'DA"), outlines Tier 1 capital, with Article 72 and Article 76 covering Tier 2 and Tier 3 capital respectively.

UHIL's Basic Own Funds includes ordinary share capital and reconciliation reserve. UHIL holds mainly Tier 1 Capital, with a small element of Tier 2 Capital.

Exhibit 26a UHIL Total Eligible Own Funds to meet the SCR

UHIL Total Eligible Own Funds	31 December 2022 €'000	31 December 2023 €'000
Tier 1 Unrestricted	334,002	399,701
Tier 1 Restricted	-	-
Tier 2	22,586	23,070
Tier 3	-	-
Total	**356,588**	**422,772**

Tier 1 Basic Own Funds

Basic Own Fund items are classified into three tiers, depending on the extent to which they possess specific characteristics. Details on the composition of UHIL's Own Funds assets are outlined above.

UPE's Basic Own Funds includes ordinary share capital, capital contributions and reconciliation reserve. UPE holds mainly Tier 1 Capital, with a small element of Tier 2 Capital.

Exhibit 26b UPE Total Eligible Own Funds to meet the SCR

UPE Total Eligible Own Funds	31 December 2022 €'000	31 December 2023 €'000
Tier 1 Unrestricted	392,710	433,817
Tier 1 Restricted	-	-
Tier 2	22,586	23,070
Tier 3	-	-
Total	**415,296**	**456,887**

Basic Own Fund items are classified into three tiers, depending on the extent to which they possess specific characteristics. Generally, assets which are free from any foreseeable liabilities are available to absorb losses due to adverse business fluctuations on a going-concern basis or in the case of winding-up. UPE's excess of assets over liabilities, is valued in accordance with the principles set out in L1 - Dir, and treated as Tier 1.

UHIL Ordinary Share Capital:

Exhibit 27 UHIL Ordinary Share Capital 31 December 2023

UHIL Ordinary Share Capital	31 December 2023 €'000
Authorised:	
300,000,000 (2022: 300,000,000) Ordinary Shares of €1.00 each	300,000
Total	**300,000**
Allotted, Called Up and Fully Paid:	
187,850 (2022: 187,850) Ordinary Shares of €1.00 each	188
Total	**188**

Capital Contribution:

Capital contributions arise when funds are provided to a company by way of a non-refundable and unconditional gift. Non-refundable capital contributions for UPE and UHIL in the period amounted to €nil.

Reconciliation Reserve:
The excess of assets over liabilities are divided into amounts that correspond to capital items in the financial statements and a reconciliation reserve. The reconciliation reserve may be positive or negative. For UPE, the reconciliation reserve is made up of the revenue reserves as per the financial statements and adjustments to assets and liabilities for Solvency II purposes, as outlined in Sections D1 and D3.

Tier 2 Basic Own Funds
During 2018, UPE issued a loan note for £20,000k to UIIOML. This loan was established as a Tier 2 capital instrument and is included on the Solvency II balance sheet at €23,070k. In addition, this is declared as a Subordinated Liability in Basic Own Funds in Section D.3.1.

Tier 3 Basic Own Funds
This does not apply to UPE or UHIL.

Reconciliation between Equity in the Financial Statements and Basic Own Funds - UHIL
Total Eligible Own Funds is valued at €422,772k, while the shareholders' equity per the statutory accounts is €278,878k. The table below reconciles the movement from shareholders' equity to Total Eligible Own Funds.

Exhibit 28a UHIL Reconciliation to Shareholders' Equity

Reconciliation of Shareholders Equity to Basic Own Funds	31 December 2023 €'000
Shareholder Equity - Called up share capital	188
Shareholder Equity - Retained Earnings	278,691
Total Shareholder Equity	**278,878**
Elimination for Deferred Acquisition Costs & Deferred Income Liability	2,909
Elimination of Intangible Assets	(145,672)
SII Valuation of Technical Provisions	292,292
SII Valuation of Investments	(470)
SII Valuation of Receivables	(5,561)
Deferred Taxes	(22,676)
Excess of Assets over Liabilities	**399,701**
Subordinated liabilities	23,070
Total Eligible Own Funds	**422,772**

Reconciliation between Equity in the Financial Statements and Basic Own Funds - UPE

Total Eligible Own Funds is valued at €456,887k, while the shareholders' equity per the statutory accounts €257,052k. The table below reconciles the movement from shareholders' equity to Eligible Own Funds.

Exhibit 28b UPE Reconciliation to Shareholders' Equity

Reconciliation of Shareholders Equity to Eligible Own Funds	31 December 2023 €'000
Shareholder Equity - Called up share capital	18,757
Shareholder Equity - Non-refundable capital contribution	81,423
Shareholder Equity - Retained Earnings	156,871
Total Shareholder Equity	**257,052**
Elimination for Deferred Acquisition Costs and Deferred Income Liability	21,736
Elimination of Intangible Assets	(83,450)
SII Valuation of Technical Provisions	292,292
SII Valuation of Investments	(441)
SII Valuation of Receivables	(5,561)
Deferred Taxes	(32,810)
Foreseeable Dividends	(15,000)
Excess of Assets over Liabilities – Net of Dividend	**433,817**
Subordinated liabilities	23,070
Total Eligible Own Funds	**456,887**

Deduction from Own Funds

The deduction rule from Own Funds does not apply to UHIL.

Ancillary Own Funds

Ancillary Own Funds do not apply to UHIL.

E.1.2. ELIGIBLE OWN FUNDS

Exhibit 29a UHIL Own Funds Assets

31 December 2023	Total €'000	Tier 1 Unrestricted €'000	Tier 1 Restricted €'000	Tier 2 €'000	Tier 3 €'000
Total Eligible Own Funds to Meet the MCR	**422,772**	399,701	-	23,070	-
Total Eligible Own Funds to Meet the SCR	**422,772**	399,701	-	23,070	-

UHIL maintains an efficient capital structure to meet its regulatory requirements. UHIL is required to hold sufficient capital to cover the SCR. The SCR at 31 December 2023 was €290,812k. UHIL's Own Funds at that date were €422,772k. This represents a solvency coverage ratio of 145%.

Most of UHIL's Own Funds are classified as Tier 1, with €23,070k classified as Tier 2. All of the Own Funds are eligible to cover the SCR and MCR.

Exhibit 29b UPE Own Funds Assets

31 December 2023	Total €'000	Tier 1 Unrestricted €'000	Tier 1 Restricted €'000	Tier 2 €'000	Tier 3 €'000
Total Eligible Own Funds to Meet the MCR	**456,887**	433,817	-	23,070	-
Total Eligible Own Funds to Meet the SCR	**456,887**	433,817	-	23,070	-

UPE maintains an efficient capital structure to meet its regulatory requirements. UPE is required to hold sufficient capital to cover the SCR. The SCR at 31 December 2023 was €296,526k. UPE's Own Funds at that date, after allowing for foreseeable dividend, were €456,887k. This represents a solvency coverage ratio of 154%.

Most of UPE's Own Funds are classified as Tier 1, with €23,070k classified as Tier 2. All of the Own Funds are eligible to cover the SCR and MCR.

E.1.3. ELIGIBLE OF OWN FUNDS TO MEET THE SOLVENCY CAPITAL REQUIREMENT

All of UHIL's Own Funds are classified as Tier 1 or Tier 2 and are eligible to meet the SCR.

E.1.4. ELIGIBLE OF OWN FUNDS TO MEET THE MINIMUM CAPITAL REQUIREMENT

All of UHIL's Own Funds Tier 1 capital is eligible to meet the MCR, but the Tier 2 Capital is restricted as a result of EIOPA guidelines. Further information on the Own Funds is included in S.23.01.01 in Section F.

E.2. SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

E.2.1. SCR AND MCR VALUES

UHIL and UPE use the Standard Formula as prescribed by the Directive 2009/138/EC and the Delegated Regulation (EU) 2015/35 to calculate the SCR.

Neither UPE nor UHIL use any simplified calculations for any risk submodule in the SCR. No undertaking specific parameters or capital add-ons are used in the calculation.

The UHIL MCR is calculated as the sum of:

- UPE MCRs which are calculated using a formulaic approach and is equal to 45% of the individual solo entity SCRs.
- The local minimum capital requirement for UBL as prescribed by the Bermuda Monitory Authority.

Exhibit 30a UHIL SCR and MCR Values

	31 December 2022 €'000	31 December 2023 €'000
Solvency Capital Requirement	254,811	290,812
Minimum Capital Requirement	123,740	133,889
Own Funds to Cover SCR	356,588	422,772
Solvency Coverage Ratio	139.94%	145.38%
Own Funds to Cover MCR	356,588	422,772
Minimum Capital Ratio	288.18%	315.76%

Exhibit 30b UPE SCR and MCR Values

	31 December 2022 €'000	31 December 2023 €'000
Solvency Capital Requirement	265,051	296,526
Minimum Capital Requirement	119,273	133,437
Own Funds to Cover SCR	415,296	456,887
Solvency Coverage Ratio	156.69%	154.08%
Own Funds to Cover MCR	415,296	456,887
Minimum Capital Ratio	348.19%	342.40%

The Solvency Coverage Ratio increased for UHIL over 2023 due the increase in Own Funds being proportionally higher than the increase in the SCR. For UPE the Solvency Coverage Ratio reduced due to the Own Funds increasing proportionally less than the increase in the SCR. The changes in UPE and UHIL SCR, MCR and Own Funds are mainly driven by impacts from emergence of cash from inforce business, market performance, changes to dividend provision, basis changes, new business, and policyholder withdrawals in form of lapses and partial withdrawals over the year.

E.2.2. SCR BREAKDOWN

A summary of UHIL SCR is provided below with further detail provided in S.25.01 in Section F.

Exhibit 31a UHIL SCR Breakdown *

	31 December 2022 €'000	31 December 2023 €'000
Life Underwriting Risk	183,004	207,951
Health Underwriting	12,957	16,932
Non-Life Underwriting	-	-
Market Risk	135,192	158,420
Counterparty Risk	39,844	41,802
Operational Risk	18,093	19,371
Diversification	(97,955)	(112,120)
Adjustment for the loss-absorbing capacity of deferred taxes	(36,324)	(41,545)
Solvency Capital Requirement	**254,811**	**290,812**

* SCR Breakdown is allowing for Level 3 (Diversification within Risk) and Level 2 (Diversification within Risk Category)

Exhibit 31b UPE SCR Breakdown *

	31 December 2022 €'000	31 December 2023 €'000
Life Underwriting Risk	183,004	207,951
Health Underwriting	12,957	16,932
Non-Life Underwriting	-	-
Market Risk	151,471	167,619
Counterparty Risk	39,695	41,460
Operational Risk	18,093	19,371
Diversification	(102,347)	(114,447)
Adjustment for the loss-absorbing capacity of deferred taxes	(37,823)	(42,361)
Solvency Capital Requirement	**265,051**	**296,526**

* SCR Breakdown is allowing for Level 3 (Diversification within Risk) and Level 2 (Diversification within Risk Category)

E.3. USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

This section is not applicable to UHIL or UPE.

E.4. DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

This section is not applicable to UHIL or UPE.

E.5. NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND SOLVENCY CAPITAL REQUIREMENT

UHIL has complied with the MCR and SCR at all times.

UPE has complied with the MCR and the SCR at all times.

E.6. ANY OTHER INFORMATION

No additional information required.

F. Quantitative Reporting Templates

F.1. Utmost Holdings Ireland Limited

F.1.1. S.02.01.01. BALANCE SHEET

		Solvency II value
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	
Deferred tax assets	R0040	
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	6,736,642.75
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	175,334,492.41
Property (other than for own use)	R0080	0.00
Holdings in related undertakings, including participations	R0090	
Equities	R0100	15.12
Equities - listed	R0110	15.12
Equities - unlisted	R0120	
Bonds	R0130	32,763,147.15
Government Bonds	R0140	24,994,661.83
Corporate Bonds	R0150	7,768,485.32
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	142,571,330.14
Derivatives	R0190	
Deposits other than cash equivalents	R0200	0.00
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	26,229,793,072.32
Loans and mortgages	R0230	67,862.61
Loans on policies	R0240	67,862.61
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverable from:	R0270	579,184,043.73
Non-life and health similar to non-life	R0280	0.00
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	265,771,984.99

Health similar to life	R0320	193,307,255.92
Life excluding health and index-linked and unit-linked	R0330	72,464,729.07
Life index-linked and unit-linked	R0340	313,412,058.74
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	16,835,074.57
Reinsurance receivables	R0370	24,707,543.92
Receivables (trade, not insurance)	R0380	109,357,224.03
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	83,870,087.92
Any other assets, not elsewhere shown	R0420	32,089,483.02
Total assets	R0500	27,257,975,527.28
Liabilities		
Technical provisions – non-life	R0510	0.00
Technical provisions – non-life (excluding health)	R0520	0.00
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	0.00
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	
Risk margin	R0590	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	388,817,153.62
Technical provisions - health (similar to life)	R0610	233,454,446.14
Technical provisions calculated as a whole	R0620	0.00
Best Estimate	R0630	231,949,496.13
Risk margin	R0640	1,504,950.02
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	155,362,707.48
Technical provisions calculated as a whole	R0660	69,532,340.28
Best Estimate	R0670	84,842,790.52
Risk margin	R0680	987,576.68
Technical provisions – index-linked and unit-linked	R0690	26,189,534,123.92
Technical provisions calculated as a whole	R0700	26,517,307,733.23
Best Estimate	R0710	-494,333,961.40
Risk margin	R0720	166,560,352.09
Other technical provisions	R0730	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	

Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	46,374,209.51
Derivatives	R0790	
Debts owed to credit institutions	R0800	146,533.78
Financial liabilities other than debts owed to credit institutions	R0810	50,754,102.14
Insurance & intermediaries payables	R0820	68,416,978.91
Reinsurance payables	R0830	45,743,538.57
Payables (trade, not insurance)	R0840	45,417,353.90
Subordinated liabilities	R0850	23,070,046.43
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	23,070,046.43
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	26,858,274,040.78
Excess of assets over liabilities	R1000	399,701,486.50

F.1.2. 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**	65,434,437.77	3,376.07	2,415,501,835.14	73,058,461.80					2,553,998,110.78
Reinsurers' share	**R1420**	52,589,568.60	0.00	1,180,572.50	54,442,580.51					108,212,721.61
Net	**R1500**	12,844,869.17	3,376.07	2,414,321,262.64	18,615,881.29					2,445,785,389.17
Premiums earned										
Gross	**R1510**	63,387,015.36	3,376.07	2,415,501,835.14	72,196,335.76					2,551,088,562.33
Reinsurers' share	**R1520**	51,921,605.21	0.00	1,180,572.50	53,764,784.17					106,866,961.87
Net	**R1600**	11,465,410.16	3,376.07	2,414,321,262.64	18,431,551.59					2,444,221,600.46
Claims incurred										
Gross	**R1610**	41,126,861.41	1,061,784.45	1,743,688,198.37	43,760,881.47					1,829,637,725.70
Reinsurers' share	**R1620**	34,488,968.19	1,087,831.42	33,526,466.05	29,050,229.19					98,153,494.85
Net	**R1700**	6,637,893.22	-26,046.97	1,710,161,732.32	14,710,652.28					1,731,484,230.85
Expenses incurred	**R1900**	8,337,160.47	0.00	59,384,987.04	8,240,897.62					75,963,045.13
Administrative expenses										
Gross	**R1910**	2,171,843.98	0.00	3,693,626.14	1,171,803.17					7,037,273.29
Reinsurers' share	**R1920**	0.00	0.00	0.00	0.00					0.00

		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**
Net	**R2000**	2,171,843.98	0.00	3,693,626.14	1,171,803.17					7,037,273.29
Investment management expenses										
Gross	**R2010**	0.00	0.00	0.00	0.00					0.00
Reinsurers' share	**R2020**	0.00	0.00	0.00	0.00					0.00
Net	**R2100**	0.00	0.00	0.00	0.00					0.00
Claims management expenses										
Gross	**R2110**	0.00	0.00	0.00	0.00					0.00
Reinsurers' share	**R2120**	0.00	0.00	0.00	0.00					0.00
Net	**R2200**	0.00	0.00	0.00	0.00					0.00
Acquisition expenses										
Gross	**R2210**	4,304,536.38	0.00	21,179,742.84	4,356,367.02					29,840,646.25
Reinsurers' share	**R2220**	3,109,285.83	0.00	0.00	2,257,338.51					5,366,624.34
Net	**R2300**	1,195,250.55	0.00	21,179,742.84	2,099,028.51					24,474,021.91
Overhead expenses										
Gross	**R2310**	4,970,065.94	0.00	34,511,618.06	4,970,065.94					44,451,749.93
Reinsurers' share	**R2320**	0.00	0.00	0.00	0.00					0.00

		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**
Net	**R2400**	4,970,065.94	0.00	34,511,618.06	4,970,065.94					44,451,749.93
Other expenses	**R2500**									3,952,231.51
Total expenses	**R2600**									79,915,276.64
Total amount of surrenders	**R2700**	0.00	1,061,784.45	1,743,688,198.37	0.00					1,744,749,982.82

F.1.3. 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						
Ordinary share capital (gross of own shares)	R0010	187,850.00	187,850.00			
Non-available called but not paid in ordinary share capital at group level	R0020	0.00				
Share premium account related to ordinary share capital	R0030	0.00				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0.00				
Subordinated mutual member accounts	R0050	0.00				
Non-available subordinated mutual member accounts at group level	R0060	0.00				
Surplus funds	R0070	0.00				
Non-available surplus funds at group level	R0080	0.00				
Preference shares	R0090	0.00				
Non-available preference shares at group level	R0100	0.00				
Share premium account related to preference shares	R0110	0.00				
Non-available share premium account related to preference shares at group level	R0120	0.00				
Reconciliation reserve	R0130	399,513,636.50	399,513,636.50			
Subordinated liabilities	R0140	23,070,046.43			23,070,046.43	
Non-available subordinated liabilities at group level	R0150	0.00				
An amount equal to the value of net deferred tax assets	R0160	0.00				
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0.00				
Other items approved by supervisory authority as basic own funds not specified above	R0180	0.00				
Non available own funds related to other own funds items approved by supervisory authority	R0190	0.00				
Minority interests (if not reported as part of a specific own fund item)	R0200	0.00				
Non-available minority interests at group level	R0210	0.00				

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 other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230	0.00				
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	0.00				
Deductions for participations where there is non-availability of information (Article 229)	R0250	0.00				
Deduction for participations included by using D&A when a combination of methods is used	R0260	0.00				
Total of non-available own fund items	R0270	0.00	0.00	0.00	0.00	0.00
Total deductions	R0280	0.00	0.00	0.00	0.00	0.00
Total basic own funds after deductions	R0290	422,771,532.93	399,701,486.50	0.00	23,070,046.43	0.00
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0.00				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0.00				
Unpaid and uncalled preference shares callable on demand	R0320	0.00				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.00				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.00				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.00				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.00				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.00				
Non available ancillary own funds at group level	R0380	0.00				
Other ancillary own funds	R0390	0.00				
Total ancillary own funds	R0400	0.00			0.00	0.00
Own funds of other financial sectors						

Credit Institutions, investment firms, financial institutions, alternative investment fund manager, financial institutions	R0410	0.00				
Institutions for occupational retirement provision	R0420	0.00				
Non regulated entities carrying out financial activities	R0430	0.00				
Total own funds of other financial sectors	R0440	0.00	0.00	0.00	0.00	0.00
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450	0.00				
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	0.00				
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	422,771,532.93	399,701,486.50	0.00	23,070,046.43	0.00
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	422,771,532.93	399,701,486.50	0.00	23,070,046.43	
Total available own funds to meet the minimum consolidated group SCR	R0530	422,771,532.93	399,701,486.50	0.00	23,070,046.43	
Total eligible own funds to meet the minimum consolidated group SCR	R0570	422,771,532.93	399,701,486.50	0.00	23,070,046.43	
Total eligible own funds to meet the consolidated group SCR (including own funds from other financial sectors, excluding own funds from undertakings included via D&A method)	R0800	0.00				
Total eligible own funds to meet the group SCR (excluding own funds from other financial sectors, including own funds from undertakings included via D&A method)	R0810	0.00				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	422,771,532.9315	399,701,486.5015	0.0000	23,070,046.43	0.00
Consolidated part of the Group SCR (excluding CR for other financial sectors and SCR for undertakings included via D&A method)	R0820					
Minimum consolidated Group SCR	R0610	133,888,633.88				
Capital requirements (CR) from other financial sectors	R0860					
Consolidated Group SCR	R0590	290,811,856.15				
SCR for entities included with D&A method	R0670					
Group SCR (excluding CR for other financial sectors, including SCR for undertakings included via D&A method)	R0830					
Group SCR	R0680	290,811,856.1500				

Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	R0630	1.45				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	3.1576				
Ratio of Eligible own funds (R0800) to the Consolidated group SCR (R0590) - ratio including other financial sectors, excluding undertakings included via D&A method	R0840	0.00				
Ratio of Eligible own funds (R0810) to the Group SCR (R0830) - ratio excluding other financial sectors, including undertakings included via D&A method	R0850					
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1.4538				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	399,701,486.50				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720					
Other basic own fund items	R0730	187,850.00				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Other non-available own funds	R0750					
Reconciliation reserve	R0760	399,513,636.50				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life business	R0770	6,587,380.00				
Expected profits included in future premiums (EPIFP) - Non-life business	R0780					
Total Expected profits included in future premiums (EPIFP)	R0790	6,587,380.00				

F.1.4. S.25.01.22 SOLVENCY CAPITAL REQUIREMENT – STANDARD FORMULA

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	158,419,718.83	158,419,718.83	
Counterparty default risk	R0020	41,802,150.66	41,802,150.66	
Life underwriting risk	R0030	207,951,393.69	207,951,393.69	
Health underwriting risk	R0040	16,931,838.81	16,931,838.81	
Non-life underwriting risk	R0050		0.00	
Diversification	R0060	-112,120,103.55	-112,120,103.55	
Intangible asset risk	R0070		0.00	
Basic Solvency Capital Requirement	R0100	312,984,998.44	312,984,998.44	

Calculation of Solvency Capital Requirement		
		Value
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Operational risk	R0130	19,371,408.59
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	-41,544,550.88
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	290,811,856.15
Capital add-on already set	R0210	0.0
Solvency capital requirement	R0220	290,811,856.15
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	

		Value
Total amount of Notional Solvency Capital Requirements for remaining part	**R0410**	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	**R0420**	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	**R0430**	
Diversification effects due to RFF nSCR aggregation for article 304	**R0440**	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation*	**R0450**	4
Net future discretionary benefits	**R0460**	
Minimum consolidated group solvency capital requirement	**R0470**	133,888,633.88
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	**R0500**	0.0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	**R0510**	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	**R0520**	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	**R0530**	
Capital requirement for non-controlled participation requirements	**R0540**	
		Value
Capital requirement for residual undertakings		
Overall SCR		
SCR for undertakings included via D and A	**R0560**	
Solvency capital requirement	**R0570**	290,811,856.15

F.1.5. S.32.01.04 UNDERTAKINGS IN SCOPE OF THE GROUP

							Ranking criteria (in the group currency)								
Identification code of the undertaking MANDATORY	Country*	Legal Name of the undertaking	Type of undertaking *	Legal form	Category (mutual /non mutual)*	Supervisory Authority	Total Balance Sheet (for (re)insurance undertakings)	Total Balance Sheet (for other regulated undertakings)	Total Balance Sheet (non-regulated undertakings)	Written premiums net of reinsurance ceded under IFRS or local GAAP for (re)insurance undertakings	Turn over defined as the gross revenue under IFRS or local GAAP for other types of undertakings or insurance holding companies	Underwriting performance	Investment performance	Total performance	Accounting standard *
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170
LEI/635400JJABPWV2JJPE32	IE	Utmost Holdings Ireland Limited Company	5		2				1,680,640.17		35,375,934.44				1
LEI/549300OQOA5TQJ2HLN47	BM	Utmost Bermuda Limited	11		2				357,003,886.87		451,769.08				1
LEI/549300KWXY72RJWYSG13	IE	Utmost PanEurope Designated Activity Company	1	Incorporated company limited by shares or by guarantee or unlimited	2	Central Bank Of Ireland	26,890,039,128.69			2,445,785,389.17		1,681,832,999.08	1,718,235,209.40	36,402,210.32	1
SC/635400JJABPWV2JJPE32IE00003	IE	Athlumney Kappa Ireland dac	11		2				1,039,694.60		0.04				1
SC/635400JJABPWV2JJPE32IE00001	IE	Utmost Services Ireland Limited	10		2				12,341,057.63		35,494,571.97				1

Identification code of the undertaking MANDATORY	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence*	Proportional share used for group solvency calculation	Yes/No*	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/635400JJABPWV2JJPE32	1.0000	1.0000	1.0000		1	1.0000			1
LEI/549300OQOA5TQJ2HLN47	1.0000	1.0000	1.0000		1	1.0000			1
LEI/549300KWXY72RJWYSG13	1.0000	1.0000	1.0000		1	1.0000	1		1
SC/635400JJABPWV2JJPE32IE00003	1.0000	1.0000	1.0000		1	1.0000			1
SC/635400JJABPWV2JJPE32IE00001	1.0000	1.0000	1.0000		1	1.0000			1

F.2. Utmost PanEurope

F.2.1. S.02.01.02 BALANCE SHEET

Assets		Solvency II Value C0010
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0.00
Deferred tax assets	R0040	0.00
Pension benefit surplus	R0050	0.00
Property, plant & equipment held for own use	R0060	0.00
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	173,019,772.94
Property (other than for own use)	R0080	0.00
Holdings in related undertakings, including participations	R0090	3,270,398.20
Equities	R0100	15.12
Equities - listed	R0110	15.12
Equities - unlisted	R0120	
Bonds	R0130	32,763,147.15
Government Bonds	R0140	24,994,661.83
Corporate Bonds	R0150	7,768,485.32
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	136,986,212.47
Derivatives	R0190	
Deposits other than cash equivalents	R0200	0.00
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	25,880,070,769.80
Loans and mortgages	R0230	67,862.61
Loans on policies	R0240	67,862.61
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverable from:	R0270	579,184,043.73
Non-life and health similar to non-life	R0280	0.00
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	265,771,984.99
Health similar to life	R0320	193,307,255.92
Life excluding health and index-linked and unit-linked	R0330	72,464,729.07
Life index-linked and unit-linked	R0340	313,412,058.74
Deposits to cedants	R0350	0.00
Insurance and intermediaries receivables	R0360	16,835,074.57
Reinsurance receivables	R0370	24,707,543.92

Receivables (trade, not insurance)	R0380	109,357,224.03
Own shares (held directly)	R0390	0.00
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0.00
Cash and cash equivalents	R0410	75,989,500.21
Any other assets, not elsewhere shown	R0420	30,807,336.88
Total assets	R0500	26,890,039,128.69
Liabilities		
Technical provisions – non-life	R0510	0.00
Technical provisions – non-life (excluding health)	R0520	0.00
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	0.00
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	
Risk margin	R0590	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	386,651,671.06
Technical provisions - health (similar to life)	R0610	233,454,446.14
Technical provisions calculated as a whole	R0620	0.00
Best Estimate	R0630	231,949,496.13
Risk margin	R0640	1,504,950.02
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	153,197,224.92
Technical provisions calculated as a whole	R0660	69,532,340.28
Best Estimate	R0670	82,677,307.96
Risk margin	R0680	987,576.68
Technical provisions – index-linked and unit-linked	R0690	25,837,572,233.10
Technical provisions calculated as a whole	R0700	26,168,077,081.34
Best Estimate	R0710	-497,065,200.33
Risk margin	R0720	166,560,352.09
Other technical provisions	R0730	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	46,912,563.98
Derivatives	R0790	
Debts owed to credit institutions	R0800	146,533.78
Debts owed to credit institutions resident domestically	ER0801	
Debts owed to credit institutions resident in the euro area other than domestic	ER0802	146,533.78
Debts owed to credit institutions resident in rest of the world	ER0803	
Financial liabilities other than debts owed to credit institutions	R0810	0.00

Debts owed to non-credit institutions	ER0811	0.00
Debts owed to non-credit institutions resident domestically	ER0812	
Debts owed to non-credit institutions resident in the euro area other than domestic	ER0813	
Debts owed to non-credit institutions resident in rest of the world	ER0814	
Other financial liabilities (debt securities issued)	ER0815	
Insurance & intermediaries payables	R0820	68,416,978.91
Reinsurance payables	R0830	45,743,538.60
Payables (trade, not insurance)	R0840	32,708,615.45
Subordinated liabilities	R0850	23,070,046.43
Non-negotiable instruments held by credit institutions resident domestically	ER0851	
Non-negotiable instruments held by credit institutions resident in the euro area other than domestic	ER0852	
Non-negotiable instruments held by credit institutions resident in rest of the world	ER0853	
Non-negotiable instruments held by non-credit institutions resident domestically	ER0854	
Non-negotiable instruments held by non-credit institutions resident in the euro area other than domestic	ER0855	
Non-negotiable instruments held by non-credit institutions resident in rest of the world	ER0856	
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	23,070,046.43
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	26,441,222,181.31
Excess of assets over liabilities	R1000	448,816,947.39

F.2.2. 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**	65,434,437.77	3,376.07	2,415,501,835.14	73,058,461.80					2,553,998,110.78
Reinsurers' share	**R1420**	52,589,568.60	0.00	1,180,572.50	54,442,580.51					108,212,721.61
Net	**R1500**	12,844,869.17	3,376.07	2,414,321,262.64	18,615,881.29					2,445,785,389.17
Premiums earned										
Gross	**R1510**	63,387,015.36	3,376.07	2,415,501,835.14	72,196,335.76					2,551,088,562.33
Reinsurers' share	**R1520**	51,921,605.21	0.00	1,180,572.50	53,764,784.17					106,866,961.87
Net	**R1600**	11,465,410.16	3,376.07	2,414,321,262.64	18,431,551.59					2,444,221,600.46
Claims incurred										
Gross	**R1610**	41,126,861.41	1,061,784.45	1,743,688,198.37	43,760,881.47					1,829,637,725.70
Reinsurers' share	**R1620**	34,488,968.19	1,087,831.42	33,526,466.05	29,050,229.19					98,153,494.85
Net	**R1700**	6,637,893.22	-26,046.97	1,710,161,732.32	14,710,652.28					1,731,484,230.85
Expenses incurred	**R1900**	8,337,160.47	0.00	59,384,987.04	8,240,897.62					75,963,045.13
Administrative expenses										
Gross	**R1910**	2,171,843.98	0.00	3,693,626.14	1,171,803.17					7,037,273.29
Reinsurers' share	**R1920**									

		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**
Net	**R2000**	2,171,843.98	0.00	3,693,626.14	1,171,803.17					7,037,273.29
Investment management expenses										
Gross	**R2010**									
Reinsurers' share	**R2020**									
Net	**R2100**									
Claims management expenses										
Gross	**R2110**									
Reinsurers' share	**R2120**									
Net	**R2200**									
Acquisition expenses										
Gross	**R2210**	4,304,536.38	0.00	21,179,742.84	4,356,367.02					29,840,646.25
Reinsurers' share	**R2220**	3,109,285.83	0.00	0.00	2,257,338.51					5,366,624.34
Net	**R2300**	1,195,250.55	0.00	21,179,742.84	2,099,028.51					24,474,021.91
Overhead expenses										
Gross	**R2310**	4,970,065.94	0.00	34,511,618.06	4,970,065.94					44,451,749.93
Reinsurers' share	**R2320**									
Net	**R2400**	4,970,065.94	0.00	34,511,618.06	4,970,065.94					44,451,749.93
Other expenses	**R2500**									256,992.79

		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**
Total expenses	**R2600**									76,220,037.92
Total amount of surrenders	**R2700**		1,061,784.45	1,743,688,198.37	0.00					1,744,749,982.82

F.2.3. S.12.01.02 LIFE AND HEALTH SLT TECHNICAL PROVISIONS

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance					Total (Life other than health insurance, incl. Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations			Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010	69,532,340.28	26,168,077,081.34												26,237,609,421.62						
Total Recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020	4,305,706.71	328,827,245.24												333,132,951.95						

Technical provisions calculated as a sum of BE and RM																					
Best Estimate																					
Gross Best Estimate	R0030	-173,782.66		-498,617,312.33	1,552,112.00		82,851,090.63								-414,387,892.37		231,949,496.13				231,949,496.13
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0040	0.00		-16,877,528.01	1,467,112.00		68,445,260.72								53,034,844.72		193,522,280.49	0.00	0.00		193,522,280.49
Recoverable from reinsurance (except SPV and Finite Re) before adjustment for expected losses	R0050	0.00		-16,877,528.01	1,467,112.00		68,445,260.72								53,034,844.72		193,522,280.49	0.00	0.00		193,522,280.49
Recoverable from SPV before adjustment for expected losses	R0060																				
Recoverable from Finite Re before adjustment for expected losses	R0070																				
Total Recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	0.00		-16,877,528.01	1,462,341.50		68,159,022.36								52,743,835.85		193,307,255.92				193,307,255.92
Best estimate minus recoverable from reinsurance/SPV and Finite Re	R0090	-173,782.66		-481,739,784.32	89,770.50		14,692,068.27								-467,131,728.22		38,642,240.20				38,642,240.20
Risk Margin	R0100	450,016.77	166,560,352.09			537,559.91									167,547,928.76	1,504,950.02					1,504,950.02
Amount of the transitional on Technical Provisions																					
Technical Provisions calculated as a whole	R0110																				
Best estimate	R0120																				
Risk margin	R0130																				

Technical provisions - total	R0200	69,808,574.38	25,837,572,233.10			83,388,650.54									25,990,769,458.02	233,454,446.14					233,454,446.14
Technical provisions minus recoverable from reinsurance/SPV and Finite Re - total	R0210	65,502,867.67	25,524,160,174.36			15,229,628.18									25,604,892,670.21	40,147,190.22					40,147,190.22
Best Estimate of products with a surrender option	R0220															231,949,496.13					231,949,496.13
Gross BE for Cash flow																					
Cash out-flows																					
Future guaranteed and discretionary benefits	R0230		47,381,628.13			107,988,621.76									155,921,923.46	260,699,961.28					260,699,961.28
Future guaranteed benefits	R0240	551,673.58													551,673.58						
Future discretionary benefits	R0250	0.00													0.00						
Future expenses and other cash out-flows	R0260	3,071,265.13	2,297,341,747.64			5,494,996.03									2,305,908,008.80	14,251,072.53					14,251,072.53
Cash in-flows																					
Future premiums	R0270	3,796,721.75	2,835,023,434.70			30,632,527.20									2,869,452,683.66	43,001,537.20					43,001,537.20
Other cash in-flows	R0280	0.00	6,765,140.13			0.00									6,765,140.13	0.00					0.00
Percentage of gross Best Estimate calculated using approximations	R0290	0.0000	0.0000			0.0000										0.0000					
Surrender value	R0300	69,452,616.41	25,976,467,384.38			270,626.39									26,046,190,627.17						
Best estimate subject to transitional of the interest rate	R0310																				
Technical provisions without transitional on interest rate	R0320																				

Best estimate subject to volatility adjustment	R0330																				
Technical provisions without volatility adjustment and without others transitional measures	R0340																				
Best estimate subject to matching adjustment	R0350																				
Technical provisions without matching adjustment and without all the others	R0360																				
Gross TP Amount calculated using simplified methods	RTT01																				

F.2.4. 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	18,757,332.00	18,757,332.00			
Share premium account related to ordinary share capital	R0030	0.00				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0.00				
Subordinated mutual member accounts	R0050	0.00				
Surplus funds	R0070	0.00				
Preference shares	R0090	0.00				
Share premium account related to preference shares	R0110	0.00				
Reconciliation reserve	R0130	333,636,147.85	333,636,147.85			
Subordinated liabilities	R0140	23,070,046.43			23,070,046.43	
An amount equal to the value of net deferred tax assets	R0160	0.00				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	81,423,467.54	81,423,467.54			
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	0.00				
Total basic own funds after deductions	R0290	456,886,993.82	433,816,947.39	0.00	23,070,046.43	0.00
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0.00				

Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0.00				
Unpaid and uncalled preference shares callable on demand	R0320	0.00				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.00				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.00				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.00				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.00				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.00				
Other ancillary own funds	R0390	0.00				
Total ancillary own funds	R0400	0.00			0.00	0.00
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	456,886,993.82	433,816,947.39	0.00	23,070,046.43	0.00
Total available own funds to meet the MCR	R0510	456,886,993.82	433,816,947.39	0.00	23,070,046.43	
Total eligible own funds to meet the SCR	R0540	456,886,993.82	433,816,947.39	0.00	23,070,046.43	0.00
Total eligible own funds to meet the MCR	R0550	456,886,993.82	433,816,947.39	0.00	23,070,046.43	
SCR	R0580	296,526,084.85				
MCR	R0600	133,436,738.18				
Ratio of Eligible own funds to SCR	R0620	1.5408				
Ratio of Eligible own funds to MCR	R0640	3.4240				
Reconciliation reserve						
		C0060				
Reconciliation reserve						

Excess of assets over liabilities	R0700	448,816,947.39				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720	15,000,000.00				
Other basic own fund items	R0730	100,180,799.54				
Adjustment for restricted own fund items in respect of ring fenced funds due to ring fencing	R0740					
Reconciliation reserve	R0760	333,636,147.85				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life business	R0770	6,587,380.00				
Expected profits included in future premiums (EPIFP) - Non-life business	R0780					
Total Expected profits included in future premiums (EPIFP)	R0790	6,587,380.00				

F.2.5. S.25.01 SOLVENCY CAPITAL REQUIREMENT – STANDARD FORMULA

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	**C0040**	**C0050**
Market risk	**R0010**	167,619,259.44	167,619,259.44	
Counterparty default risk	**R0020**	41,460,393.85	41,460,393.85	
Life underwriting risk	**R0030**	207,951,393.69	207,951,393.69	
Health underwriting risk	**R0040**	16,931,838.81	16,931,838.81	
Non-life underwriting risk	**R0050**	0.00	0.00	
Diversification	**R0060**	-114,447,340.26	-114,447,340.26	
Intangible asset risk	**R0070**	0.00	0.00	
Basic Solvency Capital Requirement	**R0100**	319,515,545.53	319,515,545.53	

Calculation of Solvency Capital Requirement		**Value**
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Operational risk	R0130	19,371,408.59
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	-42,360,869.26
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	296,526,084.85
Capital add-on already set	R0210	0.00
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	296,526,084.85

F.2.6. S.28.01.01 LINEAR FORMULA COMPONENT FOR LIFE INSURANCE AND REINSURANCE OBLIGATIONS

Linear formula component for non-life insurance and reinsurance obligations		MCR components	
		C0010	
MCRNL Result	R0010	0	
Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	**R0020**		
Income protection insurance and proportional reinsurance	**R0030**		
Workers' compensation insurance and proportional reinsurance	**R0040**		
Motor vehicle liability insurance and proportional reinsurance	**R0050**		
Other motor insurance and proportional reinsurance	**R0060**		
Marine, aviation and transport insurance and proportional reinsurance	**R0070**		
Fire and other damage to property insurance and proportional reinsurance	**R0080**		
General liability insurance and proportional reinsurance	**R0090**		
Credit and suretyship insurance and proportional reinsurance	**R0100**		
Legal expenses insurance and proportional reinsurance	**R0110**		
Assistance and proportional reinsurance	**R0120**		
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**		
Non-proportional health reinsurance	**R0140**		
Non-proportional casualty reinsurance	**R0150**		

Non-proportional marine, aviation and transport reinsurance	**R0160**		
Non-proportional property reinsurance	**R0170**		
Linear formula component for life insurance and reinsurance obligations		**C0040**	
MCRL Result	**R0200**	183,500,629.28	
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**	36,082,849.08	
Obligations with profit participation - future discretionary benefits	**R0220**	28,970,001.82	
Index-linked and unit-linked insurance obligations	**R0230**	25,357,599,822.27	
Other life (re)insurance and health (re)insurance obligations	**R0240**	53,334,308.47	
Total capital at risk for all life (re)insurance obligations	**R0250**		7,212,549,612.40
Overall MCR calculation		**C0070**	
Linear MCR	**R0300**	183,500,629.28	
SCR	**R0310**	296,526,084.85	
MCR cap	**R0320**	133,436,738.18	
MCR floor	**R0330**	74,131,521.21	
Combined MCR	**R0340**	133,436,738.18	
Absolute floor of the MCR	**R0350**	4,000,000.00	
Minimum Capital Requirement	**R0400**	133,436,738.18	