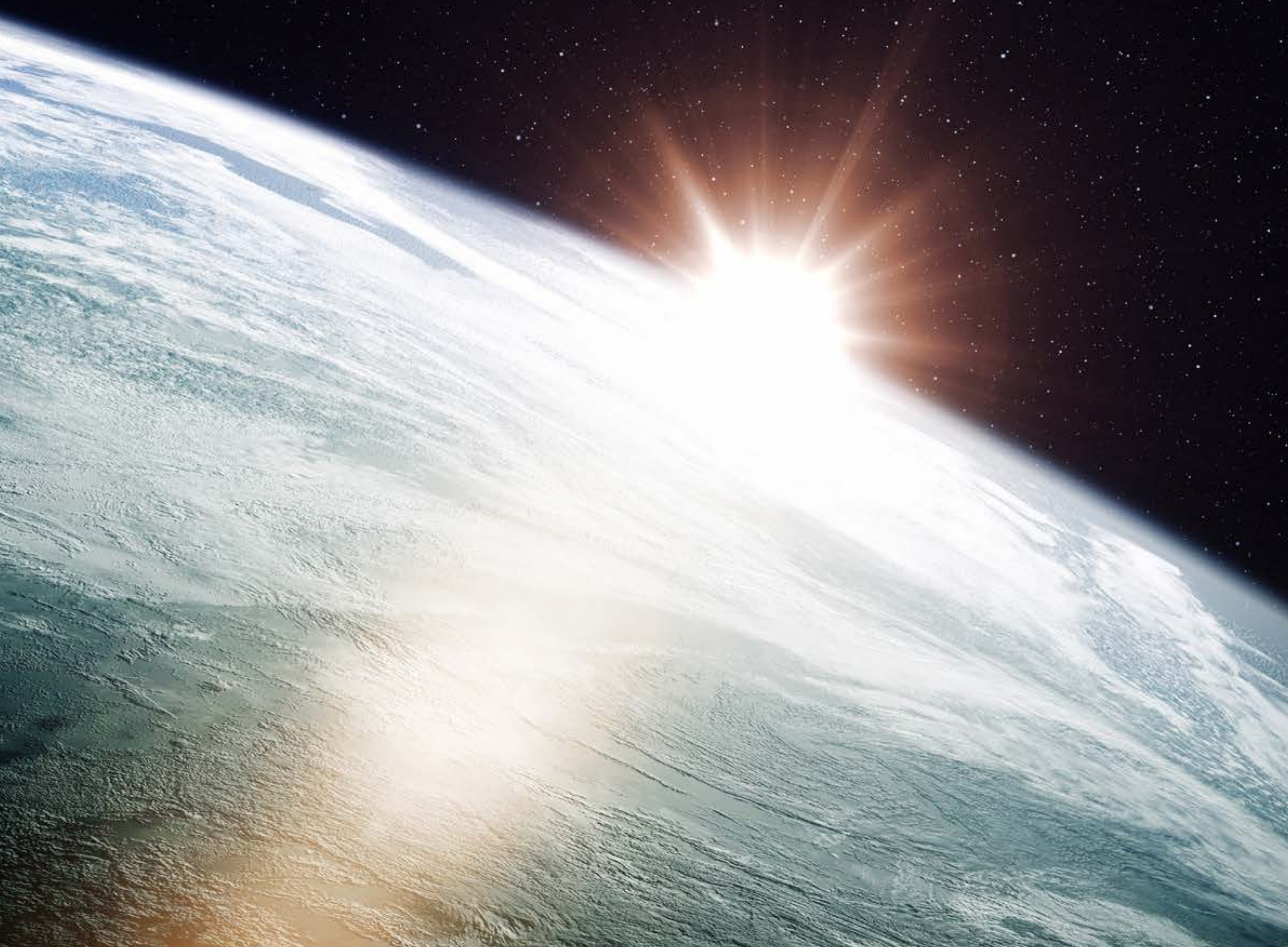
LOMBARD
INTERNATIONAL
ASSURANCE
HOLDINGS SARL

Solvency and Financial Condition Report

2020



Contents

Introduction

This Solvency and Financial Condition Report has been prepared in line with the requirements of the Solvency II Regulations, to assist clients of "the Company" (as further defined below) and other stakeholders in understanding the nature of our business, how it is managed, and its solvency position.

This Solvency and Financial Condition Report ("SFCR") covers Lombard International Assurance Holdings S.à r.l. ("LIAH"/"Company"), a company incorporated in Luxembourg under the form of a "Société à responsabilité limitée" and having its registered address at 4, rue Lou Hemmer, L-1748 Luxembourg and its direct or indirect subsidiaries as further described on page 7, together referred to as "the Company".

In particular this report includes full reporting of the Solvency II valuation undertaken at 31 December 2020, and the associated capital position for the Company. Those results are also presented in the Quantitative Reporting Templates ("QRTs") that can be found in the Appendix to this report.

Our business

The Company is a leading independent global wealth solutions provider with deep local market knowledge. We provide superior customised insurance-based solutions to help high net worth individuals and their families ensure their assets are protected, portable and can be passed on.

We have been working with advisors, high net worth individuals, their families and institutions for 30 years, to give them greater control over their financial futures.

The business specialises in addressing the complex needs of high net worth clients, with a team of more than 60 technical experts in wealth structuring, tax law and non-traditional assets based around the world. This deep-rooted expertise offers clients a proven capability that works across borders, regions and geographies, giving them the choice and flexibility to meet their unique needs.

The Company creates and delivers solutions for its clients that protect their legacy, secure their wealth now and for future generations. Lombard International Assurance's wealth planning experts and sophisticated technology platforms support clients by designing customised solutions that allow them to prepare for the future in a changing world.

The Company is the European arm of the Lombard International Group ('the Group'). The Group's main operations are located in Luxembourg and Philadelphia, serving over 20 markets across the United States, Europe, Asia and Latin America. The Group administers €49.3 billion of our clients' assets across the globe (as of 31 December 2020), of which €41.3 billion is administered by the Company.

Funds managed by Blackstone own Lombard International Group. Blackstone is one of the world's leading investment firms with $619 billion in assets under management as of 31 December 2020.

2020 Business Performance

The past year has been one like no other. At the start of 2020, it would have been impossible to predict that the COVID-19 pandemic was going to take hold of the world in the way that it did. As a leading and trusted global wealth solutions provider, the Company maintained its best-in-class service, adopting new ways of working and implementing change quickly to ensure seamless business continuity that strongly supported our clients and business partners across the globe.

In addition to the adaptation of business practices and solutions, such as distance selling, e-signatures, remote working and digital communications, the Company expanded to the Greek market, continued to invest in its infrastructure, in its people and to innovate, delivering an exemplary experience, which its partners and clients have come to expect.

The Company's 2020 financial results demonstrate the success of its endeavours, the strength of its business model, its market leading expertise and the relevance of its solutions in supporting the ever evolving wealth planning needs of the upper affluent, high net worth and ultra-high net worth clients and institutions that it serves, across the globe.

Lombard International Assurance Holdings S.a.r.l. delivered a robust financial performance, against the unprecedented global pandemic which caused significant market volatility and disruption to everyone's daily lives including those of our partners and clients:

- New Business Premiums of €3.1 billion were delivered with key contributions from a number of core markets including France, Italy, Spain and Sweden;
- Assets under Administration grew to a record high of €41.3 billion (as of 31 December 2020).

The Lombard International Group's foundations remain strong and it continues to maintain financial discipline. During the year, the Group was awarded financial strength ratings by AM Best and Kroll Bond Rating Agency (KBRA). AM Best reaffirmed its rating of A- (Excellent), and KBRA reaffirmed an insurance strength rating of A. These ratings recognise the Group's robust business model and a very strong balance sheet. This is particularly meaningful amidst the unpredictable global economy in which the business has been operating and it further reiterates the relevance, resilience, and success of its propositions and long-term growth strategy, as well as its ability to navigate an increasingly complex and uncertain world.

Summary

This report covers the Business and Performance of the Company, its system of Governance, Risk Profile, Valuation for Solvency II Purposes and Capital Management. The ultimate administrative body with responsibility for all of these matters is LIAH's Board of Managers ("BoM"), with the help of various governance and control functions that it has put in place to monitor and manage the business.

Business performance

The following table shows the growth in the assets under administration ("AUA") during 2020:

Insurance Business AUA €m	31 Dec. 2020
Opening	40,089.5
Gross Inflow	3,128.1
Gross Outflow	(2,858.3)
Investment Return	911.7
Closing	41,271.0

The following table shows the solvency position as at 31 December 2020:

Solvency €m	31 Dec. 2020
Solvency Own Funds (A)	566.3
Solvency Capital Requirement (B)	399.1
Solvency II Free Assets (A-B)	167.2
Solvency Ratio (A/B)	141.9%

LIAH's Board members: Florent Albert and Ralph Ehrhard confirm that, to the best of their knowledge:

(a) Throughout the financial year in question, the Company has complied in all material respects with the requirements of Solvency II Regulations as applicable; and

(b) It is reasonable to believe that, at the date of the publication of the SFCR, the Company continues to comply, and will continue to comply in future.

Florent Albert
Board of Managers
21 May 2021

Ralph Ehrhard
Board of Managers
21 May 2021

A. Business Performance

The business of the Company is predominantly the provision of unit-linked insurance contracts to upper affluent, high net worth and ultra-high net worth clients.

A.1 Business

A.1.1 Name and legal form of the undertaking

LIAH is incorporated in Luxembourg and is a "Société à responsabilité limitée". LIAH's registered address is 4, rue Lou Hemmer, L-1748 Luxembourg.

A.1.2 Supervision

Under Solvency II, LIAH is supervised by the Commissariat aux Assurances ("CAA") in Luxembourg. The CAA may be contacted at 7, boulevard Joseph II, L-1840 Luxembourg.

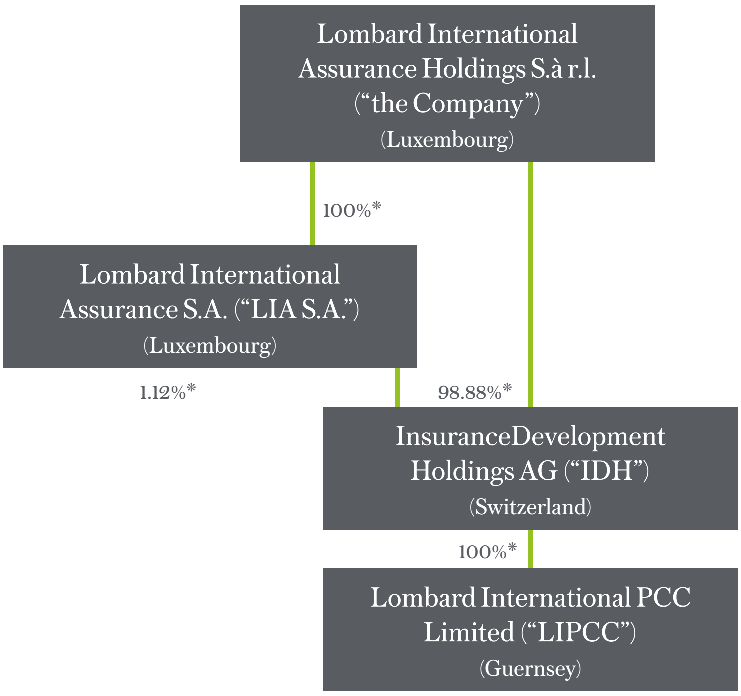
A.1.3 Position within the legal structure of the Group

LIAH is the ultimate insurance holding company which has its head office in an EEA State, Luxembourg.

LIAH owns, directly and indirectly, two business activities (together referred to as "the Company"):

- Lombard International Assurance S.A. ("LIA S.A."), a life insurance company incorporated in Luxembourg and with branches in Milan and Brussels.
- Lombard International PCC Limited ("LIPCC"), a cell company incorporated in Guernsey, whose main activity is the writing of unit-linked life insurance policies. LIPCC is held by the Company through Insurance Development Holdings AG ("IDH"), a holding company incorporated in Switzerland.

Company structure – Reporting scope



* Expressed as % of voting rights

A.1.4 Holders of qualifying holdings in the undertaking

The person(s), to the knowledge of LIAH, who were direct and indirect holders of qualifying holdings in LIAH at any time during the reporting period and at the end of the financial year was LIA SubCo Ltd.

As at the reporting date, LIA SubCo Ltd. owned 100% of the shares of LIAH and was able to exercise 100% of the voting power at any general meeting.

A.1.5 External auditor of the undertaking

The independent auditor of LIAH is Ernst & Young, Société Anonyme, 35E, Avenue John F. Kennedy, L-1855 Luxembourg.

A.1.6 Material Lines of Business and Material Geographical Areas

The Company's primary business is unit-linked insurance.

LIA S.A. offers wealth structuring solutions in a number of key markets including Belgium, France, Italy, Sweden and the United Kingdom, as well as a number of other jurisdictions.

A.1.7 Full Time Equivalent Employees

The number of Full Time Equivalent (FTE) employees is 382.4 across the Company.

A.2 Underwriting performance

LIAH does not directly write insurance, however, the constituent companies write unit-linked insurance and life protection policies, having two lines of business under Solvency II, that is index-linked and unit-linked insurance and life insurance. The unit-linked business has very low levels of insurance risk. In addition, reinsurance is utilised to limit its overall risk exposure as well as to reduce the volatility of underwriting performance.

The table below shows the Company's consolidated premiums and claims for the period ended 31 December 2020:

Premiums and claims* €m	31 Dec. 2020	31 Dec. 2019
Gross premiums written	3,128.1	3,979.8
Reinsurers' share	2.0	1.7
Net	3,126.1	3,978.1
Gross claims incurred	2,858.3	2,600.8
Reinsurers' share	0.0	0.0
Net	2,858.3	2,600.8

* The claims incurred (as shown in the above table) are predominantly withdrawals of clients' own assets.

A.3 Investment performance

In general, positive investment performance of assets is passed on to clients through an equivalent increase in client benefits. An increase in benefits results in a proportionate increase in the administration fees, which contributes to improved business performance, but the Company's matching policy ensures that at all times assets are in place to meet client liabilities.

Excess assets held by the Company are invested in low risk short term investments, which provide access to a diversified pool of high credit-quality assets. The investment performance of these assets is low, because focus is on security rather than yield. The tables below show the consolidated investment income and investment charges for the period ended 31 December 2020.

Investment Income €m	31 Dec. 2020	31 Dec. 2019
Income from participating interest	0.0	0.0
Income from affiliated undertakings	0.0	0.0
Income from other investments	400.4	613.8
Realised gains on investments	2,491.9	1,477.0
Unrealised gains on investments	1,198.6	4,035.8
Total Investment Income	4,090.9	6,126.6

Investment Charges €m	31 Dec. 2020	31 Dec. 2019
Investment Management Charges	158.4	158.9
Realised losses on the sale of investment	1,599.5	942.6
Unrealised losses on investments	1,421.3	903.3
Total Investment Charges	3,179.2	2,004.8

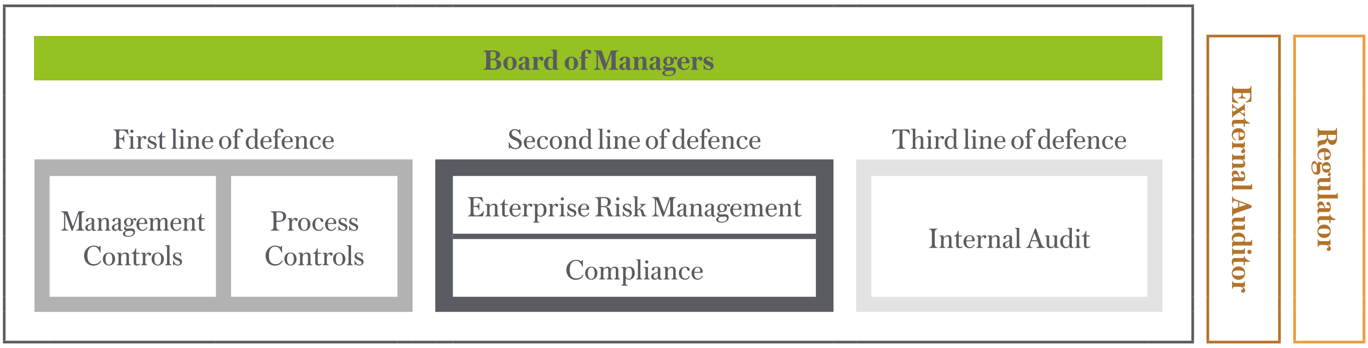
B. System of Governance

B.1 General information on the System of Governance

B.1.1 Introduction

As LIAH is a holding company, its BoM relies on the system of governance at each operational entity, which can be summarised as follows:

- LIA S.A. is managed by the: (i) Board of Directors and its sub-committees and (ii) Executive Committee (ExCo) and its sub-committees, in accordance with applicable regulations. Please refer to the SFCR of LIA S.A. for more information. https://eu.lombardinternational.com/LombardEUROPE/media/SFCR/SFCR_LIA_2020.pdf
- LIPCC is managed by its Board of Directors in accordance with applicable regulations.



The operational entities of the Group operate a "three lines of defence" model, in line with prudent market practices:

- The first line of defence is made of the departmental management. Business unit managers and directors are accountable for the risks they run, and for the compliance and control environment in their units. They are supported by appointed risk-matter experts.
- The second line of defence is composed of Risk and Compliance Functions.
- The third line of defence is assumed by Internal Audit.

There was a change in LIAH's Board of Managers composition in 2020*. There was no material change in the Corporate Governance during the reporting period.

* Axel Hörger resigned with effect from 21 January 2020. The following Board composition was confirmed by the LIAH's sole shareholder at the annual general meeting dated 16 January 2020: Florent Albert and Ralph Ehrhard.

B.1.2 Remuneration policy

The remuneration policy, in compliance with applicable regulatory requirements and best market practice, discourages risk taking beyond defined risk appetite, prevents non-sustainable decision making and avoids situations of conflict of interest.

Compensation schemes are designed to take account of competences required, evaluations, skills and performance.

The Company ensures equal, controlled and compliant remuneration practices that result in preventing non-sustainable business decisions, decisions in conflict with its clients' interests, risk taking outside risk appetite, fines from the Regulator(s), loss and/or demotivation of staff members. The Company is risk-averse to these risks.

This policy applies to all staff members, with specific provisions for material risk takers.

The remuneration framework:

- ensures that remuneration is adequate and linked to the mandate of the individual;
- rewards the overall delivery of the business strategy, the achievement of financial results and long-term growth and sustainability;
- aims at paying fair base pay, based on market practice, and at recognising and rewarding collective and individual performance via variable remuneration;
- encourages sound corporate governance and a strict compliance with internal rules and procedures.
- does not reward excessive risk taking outside of confirmed risk appetite;
- considers the principle of proportionality in defining the remuneration principles in such a way as to take into account the internal organisation and the nature, the scale and the complexity of the risks inherent to the business.

The remuneration includes:

- fixed remuneration;
- annual discretionary variable remuneration depending on the Company results and the performance of the employee. For material risk takers, a deferral mechanism is applied.

The individual performance assessment is subject to calibration sessions pursuing the following objectives:

- a consistent approach throughout the Company;
- relevance of the criteria used to evaluate performance;
- application of a fair process;
- a dedicated conversation around low and high performers.

B.1.3 Material transactions

The following material transactions were carried out in the period:

- LIA S.A. distributed a dividend of €40.0m (2019: €33.2m) to the Company;
- The Company distributed a dividend of €40.0m (2019: €33.1m) to LIA Subco Ltd.

B.2 Fit and proper requirement

B.2.1 Specific requirements

The Company ensures that all persons who effectively run the undertaking or have other key functions at all times fulfil the following requirements:

- their professional qualifications, knowledge and experience are adequate to enable sound and prudent management;
- they are of good repute and integrity.

B.2.2 Process of assessing fit and proper requirements

The fit and proper policy specifies the principles by which the Company ensures that all non-executive directors, Senior Managers and all persons who hold key functions are fit and proper for their role.

This policy covers the principles to apply as part of the recruitment process, the promotion process and on-going employment to assess whether candidates or employees in general and in particular those to be recruited in, promoted to or holding roles are fit and proper for their role.

For all prospective senior managers within key functions, including key role holders, full and in-depth interviews are undertaken to review each individual's qualifications, knowledge and experience.

For key role holders, the assessment is performed in writing and includes the following three criteria:

1. Experience: The assessment of experience has to take into account the nature, scale and complexity of the business and the responsibilities of the position concerned;
2. Reputation: Reputation will be assessed regardless of the nature, scale and complexity of the business and/or role;
3. Governance: When performing the assessment on the suitability, the overall functioning of the role within the corporate governance has to be assessed.

At the request of the Regulator, the Company may have to provide the written assessment performed, the guiding principles, the policy and procedure on the appointment of key role holders.

B.3 Risk management system including the Own Risk and Solvency Assessment ("ORSA")

B.3.1 Risk Management

The Company has developed the processes and procedures that are used to identify, assess, monitor, manage and report the short and long term risks that the Company faces; and to determine the capital required to ensure that its overall solvency needs are met at all times.

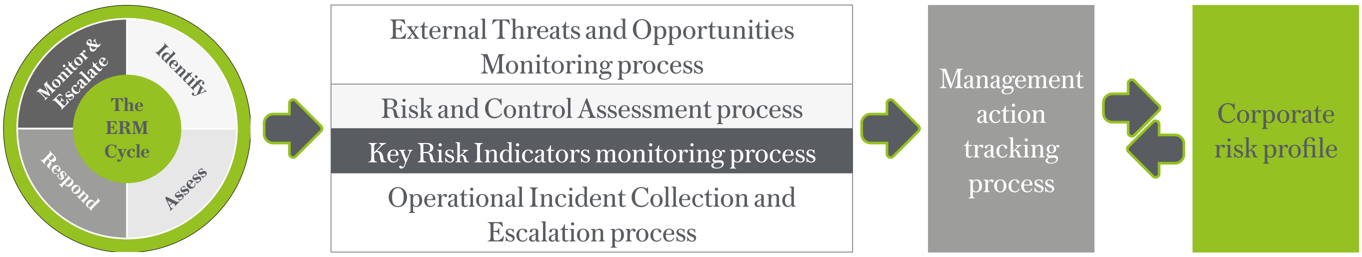
Enterprise Risk Management Framework

The Enterprise Risk Management ("ERM") Framework describes the processes in which all departments are involved within the scope of their tasks and the support the Risk Function provides in its global risk management activities. The ERM Framework is applied consistently at the level of the operational entities (including for LIPCC – third party entity as per EIOPA definition – therefore it has not been submitted under Solvency II regulation at solo level).

As with all insurance undertakings, the Company faces different risks which are spread across its entities. These risks are internally classified in three main categories: strategic risks, financial risks and operational risks. To manage these risks, the Company has defined a risk strategy, which is formalised through the Risk Appetite Statement of the operational entities of the Company.

The risk strategy is further translated and articulated in a number of Company corporate policies and procedures compliant with all regulations in force, which document the risk governance, mitigation and controls in place to address the major risks.

The Company's risk management processes are built as below illustrated, to meet the risk identification, assessment, response, monitoring and escalation requirements.



External Threats and Opportunities Monitoring process: This process is designed to ensure Company-wide early awareness of external threats and opportunities, including legal or regulatory changes. It allows for both expert and business input in the assessment of these threats and opportunities and on the appropriateness of associated mitigation steps. Finally, the process ensures an audit trail of the agreed risk strategy and mitigating actions.

Risk and Control Assessment process: Objective of this process is to provide a regular assessment of individual risks taking into account the existing risk exposure and effectiveness of controls and mitigating actions in place. For risks assessed as being beyond the risk appetite, mitigating actions are identified and implemented.

Key Risk Indicators Monitoring process: Key Risk Indicators are identified and measured to monitor, on an ongoing basis, risk exposure versus risk appetite. These can either be internal or external indicators. Targets have been defined and when breached, rationale is investigated and mitigating actions are identified and implemented, where relevant.

Operational Incident Collection process: There is a logging and escalation process, available for every employee of the Company, to report any operational incident including control failures. Material incidents are investigated for root-cause analysis and lessons learnt. Corrective and preventive actions are established when necessary. Trend analysis is also performed based on incident data to surface and prevent non-material but recurrent issues.

Management Action Tracking process: All All risk management actions coming from ERM processes or risk governance meetings are centralised in a dedicated tool. Deadline rebasing is subject to restrictive rules managed by the Risk Function. Objective being to ensure that risks are appropriately and timely mitigated.

Outputs of all the above-mentioned processes contribute to the production of the "Corporate Risk" report which is provided on a quarterly basis to support the relevant decision bodies of the operational entities on their risk oversight duty.

This integrated ERM framework is embedded at the heart of key decision making process. All key decisions made such as product initiatives, new projects, capital management, reinsurance arrangement review, investment strategy, marketing strategy and distribution strategy follow internal governance processes, which include an assessment of the risk exposure, mitigation strategies and need for an ad hoc ORSA.

B.3.2 Own Risk and Solvency Assessment

In compliance with the applicable local law and European Solvency II requirements, overall performance of the ORSA requires the combination of multiple pieces of information coming from existing processes in the organisation. Overall ORSA process is coordinated by the Risk Function throughout the year.

The ORSA process and report include all operational entities of the Company including LIPCC (as a non-European third-party entity).

Outcomes of the ORSA process are summarised in the internal Company ORSA Report and the external Company ORSA Supervisory Report both reviewed and approved by the LIAH Board of Managers.

The Company ORSA Supervisory Report is submitted to the CAA. In validating the Company ORSA report, the LIAH Board of Managers confirms that:

- a suitable assessment of the risk profile and overall on-going solvency needs has been conducted;
- appropriate processes are in place to properly identify, assess, manage and monitor the risks and solvency position, including appropriate risk governance and risk awareness;
- the Company is projecting to have sufficient internal capital and liquidity to meet its solvency needs and obligations to policyholders over the business planning period, including stressed situations.

The ORSA is an integral part of the business strategy and is taken into account, on an on-going basis, in the making of strategic decisions and in planning processes.

Comprehensive management reporting ensures that the significant parameters of the ORSA are consistently monitored and reported regularly to the executive management of the operational entities and the Board of Managers of LIAH. This includes performance against regulatory and internal capital and liquidity requirements and performance against the risk strategy under the ORSA planning horizon.

As per the ORSA procedure and due to its evolving nature (based on business mix, environment factors, etc.), the material events that might trigger a re-evaluation and new iteration of the Company's ORSA have been identified. This encompasses both internal and external triggers. Material risk profile changes captured through product initiatives, new projects, capital management changes, reinsurance arrangement reviews, investment strategy changes, marketing and distribution strategy changes already foresee in their operational processing an assessment for potential ORSA impacts where significant.

B.4 Internal Control System

The Company's Internal Control System aims at ensuring:

- that the Company adheres to applicable laws and regulations;
- that the instructions (including corporate policies and guidelines) issued by LIAH's Board of Managers and executive management are adequately implemented;
- that the Company's internal processes are in line with professional and ethical standards;
- the reliability of reporting, information and communication.

B.4.1 Internal Control

The Company has established an Internal Control Framework which is owned by the Risk Function as part of the second line of defence. The aim of the framework is to enhance and protect organisational value by providing the executive management with risk-based, independent and objective assurance on the design and effectiveness of the controls.

Regular reports are provided to the Board of Managers of LIAH contributing to the strengthening of the implemented control system.

Overall the Internal Control Framework brings ongoing assurance to the Company by monitoring on a regular basis its business activities and their effectiveness.

B.4.2 Compliance

Similarly to the Risk Function, the Compliance Function forms an integral part of the Internal Control System and operates on the second line of defence.

The roles, responsibilities, authorities, objectives and scope of the Compliance Function in relation to the compliance activities performed within the Company are outlined in the Compliance Charter.

The objectives of the Compliance Function are to:

- Act as an adviser in compliance matters within the organisation;
- Identify and assess the possible impact of any change in the legal environment on the operations of the Company;
- Identify and assess the compliance risks of the Company;
- Organise, coordinate and structure compliance-related controls;
- Report accordingly to executive management, the Risk Oversight Committee and the Board of Directors directly or through the Audit & Risk Committee.

The Compliance Function focuses on Compliance risks, which are defined as the risks the company may suffer following a failure to conduct its business in accordance with the regulatory rules in force.

The main compliance risks are as follows:

- legal and regulatory risks;
- risk of sanctions;
- reputation risk;
- risk of breach of ethical rules;
- risk of breach of the Company's policies and requirements.

Matters that fall under the Compliance Function's competence and/or scope are the following:

- Prevention of money laundering and terrorism financing;
- Market abuse and insider dealing prevention;
- Clients interest protection;
- Monitoring of complaints management;
- Data protection and respect of professional secrecy;
- Prevention and management of conflicts of interest;
- Prevention of bribery, fraud, tax fraud and corruption;
- Inducements;
- Information security;
- Distribution network and activities;
- Policy Assets and Money;
- Policy Assets Compliance Management;
- Non-Traditional Assets;
- Product Oversight and Governance;
- Record keeping;
- Swiss visits notification;
- Corporate tax reporting;

- Policy tax reporting;
- Remuneration policy and Fit and proper;
- Outsourcing;
- Pre-contractual documentation (PRIIPs);
- Respect of Ethics and Deontology rules;
- Regulatory reporting – adherence to deadlines and completeness of reports submitted to the regulators;
- Any change in the legal environment on the operations of the Company.

The Compliance Function brings ongoing assurance to the Company by monitoring on a regular basis its key regulatory requirements as defined in the Compliance Risk Assessment and Compliance Monitoring Plan. The Compliance Function also oversees the Company's Regulatory Reporting requirements and submissions with the support of Legal; and coordinates the External Threats & Opportunities Monitoring process (i.e. Regulatory Watch) with the support and under the direct responsibility of Regulatory Affairs.

In consideration of proportionality and subject matter expertise, the Compliance function may delegate day-to-day management and responsibility to other functions while retaining oversight responsibility.

B.5 Internal Audit Function

B.5.1 Implementation

The position of Internal Audit Function within the organization and its powers and responsibilities are outlined in the Internal Audit Charter, which sets out the role, authorities, objectives and scope of the Internal Audit Function in relation to the internal audit activity within the Company.

The purpose of the Internal Audit Function is to provide independent, objective assurance and consulting services designed to add value and improve the Company's operations. The mission of internal audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight to the Board of Directors of LIA S.A. via the Audit and Risk Committee and executive management.

The Head of Internal Audit submits, at least annually, a risk-based rolling 12-month audit plan and a 4-year plan to the Audit and Risk Committee for approval. The plan can be revised and adjusted as necessary, in response to changes in the Company's business, risks, operations, programs, systems and controls.

Based on the annual plan, the internal audit activity evaluates the adequacy and effectiveness of controls encompassing the governance, operations, and information systems. This includes:

- adequacy of risk management;
- monitoring of internal control's efficiency and effectiveness and where relevant compliance with the laws and regulations as well as the prudential requirements imposed by the Regulators;
- operation and effectiveness of the second line of defence;
- adequacy of the administrative, accounting and IT organisation;
- safeguarding of securities and assets;
- adequacy of the segregation of duties and of the execution of transactions;
- accurate and complete registration of the transactions;
- relevant and understandable information available without delay to the Board of Managers of LIAH, specialised committees and, where appropriate, Senior Management and the Regulator;
- implementation of the decisions taken by Senior Management and by the persons acting by delegation and under its direction.

B.5.2 Independence from other functions

Internal Audit remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content.

The Head of Internal Audit reports administratively to the CEO of Lombard International Assurance S.A. and functionally to the Chairperson of the Audit and Risk Committee, with whom direct bilateral contacts take place at least on a quarterly basis. The absence of direct operational responsibility or authority over any of the activities audited, together with this reporting structure ensures independence.

B.6 Actuarial Function

Key responsibilities include:

- co-ordination of the calculation of Technical Provisions. This consists of assessing the sufficiency of the provisions, assessing the uncertainty in the estimates and justifying the differences between successive periods;
- reviewing the appropriateness of the models and assumptions, consider the sufficiency and quality of data, and interpret deviations of best estimates against experience;
- contributing to the effective implementation of the risk management system of the Company;
- reviewing the output of the model used by the Company to calculate the Solvency Capital Requirement and Minimum Capital Requirement. Specifically, any perceived or possible inconsistencies or issues identified in the model results are raised;
- reviewing ORSA capital calculations.

B.7 Outsourcing

When choosing an outsourcing provider for any critical or important function or activity, the Company (at entity level) carries out all necessary steps to ensure that:

- A detailed examination is performed of the potential service providers' ability and capacity to deliver the required functions or activities satisfactorily, taking into account the objectives and needs;
- The service provider has adopted all means to ensure that no explicit or potential conflict of interest with the entity impairs the needs of the outsourcing provider undertaking;
- The entity enters into a written agreement with the outsourcing provider which clearly allocates the respective rights and obligations of the entity and the outsourcing provider (even for intragroup outsourcing);
- The general terms and conditions of the outsourcing provider agreement are authorized and understood by the entity's management;
- The entity includes in its risk management systems and controls a process for monitoring and reviewing the quality and performance of the services provided according to the agreement;
- The outsourcing activity does not represent a breach of any data protection regulation or any other laws;
- The outsourcing provider is subject to the same provisions that are applicable to the entity regarding the safety and the confidentiality of the information related to its clients;
- The entity considers in its own contingency planning the possibility of having to face an emergency situation or business disruption arising from a failure or a problem of the outsourcing provided.

- The entity has, in a timely manner, to notify the supervisory authorities prior to the outsourcing of material (critical or important) functions or activities as well as of any subsequent material developments with respect to those functions or activities.
- There are rules in place covering cloud outsourcing.

The table below lists the activities outsourced:

Activity	Entity	Jurisdiction	Internal / External
Fund Administration of Internal Collective Funds	LIA S.A.	Luxembourg	External
Creation, maintenance and printing of clients' communication and marketing communication	LIA S.A.	Luxembourg	External
Data centre infrastructure management	LIA S.A.	Luxembourg	External
Archiving management	LIA S.A.	Luxembourg	External
Payroll services	LIA S.A.	Luxembourg	External
Software Platform for creation and maintenance of pre-contractual documentation (Key Information Documents)	LIA S.A.	Italy	External
Client Services, Investment administration and Fund Accounting, Investment services, Contracts & Relations, Finance services and Risk Function	LIPCC	Luxembourg	Internal
Insurance Manager, Compliance Function	LIPCC	Guernsey	External
Actuarial Function	LIPCC	Guernsey	External

Client Services, Investment administration and Fund Accounting, Investment services, Contracts & Relations, Finance services and Risk Function of LIPCC concern intragroup outsourcing.

C. Risk Profile

C.1 Underwriting risk

The level of insurance risk in the Company is immaterial. The death benefit on investment products is generally limited to 1% of invested assets and extensive use is made of reinsurance. The life protection product is fully reinsured.

C.2 Market risk

The unit-linked nature of the Company's products means market risk is borne by the policyholder. Investment procedures for shareholder assets serve to minimise market risk.

C.3 Credit risk

Credit risk arises principally through exposure to debt security investments, bank deposits, derivative counterparties, and reinsurance counterparties, insurance and investment contracts receivables.

The Company has adopted a risk averse approach to such risks and has a stated policy of not actively pursuing or accepting credit risk.

C.4 Liquidity risk

The Company ensures that it maintains sufficient financial resources to meet its obligations as they fall due through the application of a liquidity risk policy and through the development of its liquidity risk management plan.

C.5 Operational risk

The residual risks are operational risks covering regulatory, litigation and taxation. Operational risks are assessed, monitored and minimised through the ERM and Internal Control processes wherever possible. The Company's main risks are stemming from the business activities of the operations, the major part from LIA S.A. and for a smaller part, from LIPCC. No specific risk arises from IDH as a holding company for LIPCC.

C.6 Other material risks

No other material risks.

C.7 Any other information

As part of the Company's ongoing risk management approach the Company performs a range of stress and scenario tests, reporting on the output as part of ORSA. The stress and scenario testing comprises two elements:

- sensitivity and stress testing of the financial and capital position to changes in key modelling assumptions;
- exploration of plausible adverse scenarios that may arise in the normal course of business – these are derived from the key drivers of business and the schedule of significant risks to the Company. Where possible the Company undertakes quantitative analysis of solvency and profit and loss impacts, augmented with qualitative analysis if modelling is not appropriate. This scenario testing also includes analysis of new risks emerging in the business and a programme of reverse stress testing.

D. Valuation for Solvency Purposes

D.1 Assets

Assets €m	Luxembourg GAAP*	Adjustments	Solvency II 31 Dec. 2020	Solvency II 31 Dec. 2019
Deferred acquisition costs	32.0	(32.0)	0.0	0.0
Intangible Assets	5.6	(5.6)	0.0	0.0
Property, plant & equipment held for own use	1.5	0.0	1.5	1.1
Investments (other than assets held for index-linked and unit-linked contract)	52.3	0.5	52.8	54.0
Assets held for index-linked and unit-linked contracts	41,271.0	0.0	41,271.0	40,089.1
Reinsurance assets	8.5	0.0	8.5	3.9
Insurance and intermediaries receivables	269.7	16.5	286.2	276.1
Cash and cash equivalents	81.4	0.0	81.4	135.5
Any other assets, not elsewhere shown	2.9	0.0	2.9	2.6
Total Assets	41,724.9	(20.6)	41,704.3	40,562.3

The total assets have moved from €40,562.3m at 31 December 2019 to €41,704.3m at 31 December 2020.

D.1.1 Investments

Investments were comprised of money market funds, participations, loans to affiliated undertakings, fixed income securities and deposits with credit institutions.

a) Money Market Funds

As at the reporting date, the Company had €27.4m (2019: €43.7m) invested in money market funds. These investments were valued at lower of cost and market value in the Statutory Financial Statements.

The money market funds are valued at fair value under Solvency II based on market prices at the reporting date, which are quoted prices in active markets. As these are publicly traded securities, the market prices are readily available and are actively traded. No significant estimates or judgements are used in the valuation of these investments.

b) Participations

Participations have been eliminated at the consolidated level.

* Generally Accepted Accounting Principles.

c) Loans to affiliated undertakings

As at 31 December 2020, loans to affiliated undertakings were €3.6m (2019: €4.0m).

d) Fixed income securities

As at 31 December 2020, fixed income securities were €16.1m valued at cost (2019: €1.1m).

These assets are valued at €16.6m using fair value under Solvency II and Statutory Financial Statements.

e) Deposits with credit institutions

As at 31 December 2020, deposits with credit institutions amounted to €5.2m (2019: €5.2m).

D.1.2 Receivables

Receivable balances are mainly related to fees receivable and foreign tax advances made in respect of applicable insurance policies. As at 31 December 2020 the Company had a total receivables balance of €286.2m (2019: €276.1m). Receivables are valued at fair value and intangibles are removed under Solvency II.

D.1.3 Cash and cash equivalents

Cash at bank and in hand, as at 31 December 2020, amounted to €81.4m (2019: €135.5m). Cash and cash equivalents are valued at fair value by the relevant financial institution, and the Company receives monthly statements at the period end to confirm the balances held. The value of cash and cash equivalents in the Company's financial statements is the same as for Solvency II.

D.1.4 Intangible Assets

Deferred acquisition costs balances and goodwill are valued at zero under Solvency II Regulations and are effectively removed in the preparation of the Solvency II balance sheet. Intangible assets, other than goodwill, are recognised in the Solvency II balance sheet at a value other than zero only if they can be sold separately and it can be demonstrated that there is a value for the same or similar assets that has been derived from quoted market prices in active markets.

D.1.5 Assumptions and judgements

The areas where assumptions and judgment are exercised by management include determining the value of deferred income taxes.

D.1.6 Reconciliation of Statutory valuation of assets to Solvency II valuation

- Accounting policy differences: As noted in D.1.4 above, goodwill, deferred acquisition costs, and other Intangible Assets are reassessed at zero value under Solvency II. The associated impact on deferred tax is reflected in other liabilities;
- Deferred tax: The adjustments listed resulted in an impact in the deferred tax liability.

D.2 Technical Provisions

D.2.1 Introduction

The Company has one material line of business that is unit-linked life insurance. The Technical Provisions, as at 31 December 2020, were as follows:

Technical Provision in €m	31 Dec. 2020	31 Dec. 2019
Best Estimate Liability	40,529.6	39,352.0
Risk Margin	187.8	189.8
Total Technical Provisions	40,717.4	39,541.8

The Solvency II technical provisions have moved from €39,541.8m at 31 December 2019 to €40,717.4m at 31 December 2020 in line with total assets.

D.2.2 Valuation methodology

Under Solvency II, the Technical Provisions comprise a Best Estimate Liability and a Risk Margin. These have been calculated as the sum of the respective elements from the two insurance subsidiaries. The subsidiaries employ the same methodology for the calculation of the technical provisions.

D.2.2.1 Best Estimate Liability

Client relationships are based on segregated accounts and the Company maintains dedicated and separate accounts per policy. In this way the underlying assets are consistently attributed to the corresponding policy.

The Company's Best Estimate of Future Liabilities has been calculated at a per-policy level for the policies in-force at the valuation date.

It is the present value of all future expected cash-flows allowing for claims, expenses and lapses. Allowance is made for reinsurance.

D.2.2.1 Risk Margin

The Risk Margin is determined as the cost of holding the Solvency Capital

Requirement over the lifetime of the insured portfolio. This cost is determined

by applying a prescribed cost of capital rate of 6% p.a. to each year's projected Solvency Capital Requirement, and then discounting these amounts at the risk-free rate.

The projected Solvency Capital Requirement figures have been determined using the 'Standard Formula' basis, consistent with the calculation of the initial Solvency Capital Requirement, but only allowing for risks that are deemed to be non-hedgeable. The Company views the market risk arising from fluctuations in the value of its linked funds as being hedgeable, and therefore no allowance has been made for market risk within the projection of the Solvency Capital Requirement.

D.2.3 Judgements

D.2.3.1 Projection of Solvency II Capital Requirement for Risk Margin

Calculation of the Risk Margin requires projection of the Solvency Capital Requirement. Reflecting the relatively simple nature of the business and risks, a simplified method has been adopted in line with 'Method 1' outlined in Guideline 62 of EIOPA's guidelines on the valuation of Technical Provisions (i.e. the methodology involving the least simplifications). This uses a series of 'risk drivers' to project how each component of the initial Solvency Capital Requirement runs off over the lifetime of the portfolio.

D.2.4 Assumptions

D.2.4.1 Mortality

The Company reviews the mortality assumptions on an annual basis, taking into account relevant industry information.

D.2.4.2 Lapses

Lapse assumptions (full and partial surrender rates) are based on analysing the Company's experience from 2016 to 2020. Some additional judgement may be applied where the Company expects the future to be different from past experience.

D.2.4.3 Expenses

The expense assumptions include allowance for administration costs and corporate overhead costs incurred. The corporate costs have been apportioned so that the total maintenance cost represents the anticipated ongoing expenses, including systems development costs, which are expected to arise in future years in meeting the policy servicing requirements of the in-force business.

D.2.4.4 Interest and Inflation Rates

The Solvency II regulations specify the risk-free interest rate term structure to be used. The Company used the Euro rates (with volatility adjustment) as provided by the European Insurance & Occupational Pensions Authority. The Company did not use the matching adjustment. Full detail of the Euro interest rate curve prescribed for use at 31 December 2020 can be found at https://www.eiopa.europa.eu/sites/default/files/risk_free_interest_rate/eiopa_rfr_20201231.zip.

The assumption for future inflation is derived from Euro denominated inflation swap data.

D.2.5 Uncertainty associated with the value of the Technical Provisions

The value of the Technical Provisions includes uncertainty in that they are based on the expected value of future cash-flows. The assumption-setting processes described above are designed to reduce uncertainty by using past experience with adjustments where there are appropriate reasons to expect that future expectations may differ from past performance.

D.2.6 Differences between Solvency II valuations and valuations for Financial Statements

The following table explains differences between Solvency II valuations and valuations for Financial Statements:

€m	31 Dec. 2020	31 Dec. 2019
Luxembourg GAAP Insurance Contract Liability	41,280.7	40,094.3
Best Estimate Liability under Solvency II	40,529.6	39,352.0
Risk Margin	187.8	189.8
Solvency II Technical Provisions	40,717.4	39,541.8

D.2.7 Matching Adjustments

No matching adjustments have been applied.

D.2.8 Volatility adjustments

The volatility adjustment, referred to in Article 77b of Directive 2009/138/EC has been applied. The table below shows the position without this adjustment compared with the position with the adjustment as at 31 December 2020:

€m	No Volatility Adjustment	With Volatility Adjustment
Technical Provisions	40,718.0	40,717.4
Solvency Capital Requirement	398.3	399.1
Minimum Capital Requirement	179.2	179.6
Basic own funds	566.2	566.3
Amount of own funds eligible to cover the Minimum Capital Requirement & Solvency Capital Requirement	566.2	566.3

D.2.9 Transitional Risk Free Interest Rate

The transitional risk-free interest rate term structure referred to in Article 308c of Directive 2009/138/EC has not been applied.

D.2.10 Transitional Deduction

The transitional deduction referred to in Article 308d of Directive 2009/138/ EC has not been applied.

D.2.11 Reinsurance Recoverable

At 31 December 2020 there were no material amounts outstanding from reinsurance contracts. There were no special purpose vehicles.

D.2.12 Material Changes

No material changes made in the calculation of the Technical Provisions compared to the previous reporting period.

D.3 Other liabilities

The table below shows the other liabilities

€m	31 Dec. 2020	31 Dec. 2019
Provisions other than Technical Provisions	4.4	6.2
Deferred Tax Liabilities	133.2	128.2
Insurance & intermediaries payables	45.6	93.5
Payables (trade, not insurance)	193.6	184.4
Any other liabilities, not elsewhere shown	15.3	20.3

D.4 Alternative methods for valuation

There are no other valuation methods used.

E. Capital Management

E.1 Own funds

The Company, in line with its Capital Management Policy, maintains capital at a level that enables it to carry out its current business plan within its risk appetite. The Board of Managers of LIAH set an appropriate target level of solvency cover given the risks to which the business is currently exposed and those implicit in the Company's medium term business plan.

The composition of the Company's Own Funds is as follows:

€m	31 Dec. 2020	31 Dec. 2019
Ordinary share capital	0.0	0.0
Share premium accounts	25.6	25.6
Reconciliation reserve	540.7	522.4
Total basic own funds after deductions	566.3	548.0
Adjustments for ineligible assets	0.0	0.0
Solvency II excess of assets over liabilities	566.3	548.0

The reconciliation reserve at 31 December 2020 is mostly comprised of the value of future profits expected from the in-force business.

The table below reconciles the equity in the Financial Statements and the Solvency II excess over liabilities:

€m	31 Dec. 2020	31 Dec. 2019
Statutory Accounts excess of assets over Liabilities	185.4	192.1
Reassessment of participation	0.3	0.3
Accounting policy differences	380.6	355.6
Solvency II excess of assets over Liabilities	566.3	548.0

The own funds of the company were impacted by:

- LIA S.A. distributed a dividend of €40.0m (2019: €33.2m) to the Company;
- LIAH distributed a dividend of €40.0m (2019: €33.1m) to LIA Subco Ltd.

The whole amount of the Own Funds is eligible to cover the Solvency Capital Requirement and the Minimum Capital Requirement.

There are no amounts within the Own Funds that arise from transitional arrangements, and no ancillary Own Funds.

€m	31 Dec. 2020	31 Dec. 2019
Deferred Tax Asset	0.0	0.0

E.1.1 Consolidation Approach

Solvency of the Company has been assessed using Method 1 'Accounting consolidation-based method', as referred to in Article 230 of Directive 2009/138/EC.

E.1.2 Restrictions to Eligible Own Funds

There were no restrictions to the fungibility and transferability of own funds eligible for covering the Company Solvency Capital Requirement.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Introduction

The Solvency Capital Requirement and Minimum Capital Requirements have been determined using the 'standard formula' approach set out in Directive 2009/138/EC. No material simplified methods or undertaking specific parameters have been used in this assessment.

The amounts of Solvency Capital Requirement and Minimum Capital Requirement as at 31 December 2020 were as follows:

€m	31 Dec. 2020	31 Dec. 2019
Solvency Capital Requirement	399.1	399.5
Minimum Capital Requirement	179.6	179.8

E.2.2 Risk Modules

The table below shows the 31 December 2020 Solvency Capital Requirement of the Company by Risk Module:

€m	Solvency Capital Requirements 31 Dec. 2020	Solvency Capital Requirements 31 Dec. 2019
Mortality Risk	10.0	10.1
Longevity	1.0	0.8
Disability and Morbidity Risks	0.0	0.0
Lapse Risk	296.3	301.5
Expenses Risk	68.4	64.0
Catastrophe Risk	1.3	1.3
Revision	0.0	0.0
Diversification	(40.0)	(38.4)
Life Underwriting	**337.0**	**339.3**
Interest Rate Risk	1.5	4.3
Spread Risk	36.6	35.4
Equity Risk	228.3	231.0
Property Risk	0.0	0.0

Concentration Risk	2.6	3.2
Currency Risk	132.8	129.3
Diversification	(83.4)	(83.4)
Market Risk	**318.4**	**319.8**
Counterparty Default Risk (type 1)	3.0	3.9
Counterparty Default Risk (type 2)	4.0	6.0
Diversification	(0.4)	(0.6)
Counterparty Default Risk	**6.6**	**9.3**
Basic Solvency Capital requirement(pre-diversification)	**662.0**	**668.4**
Diversification benefit	**(141.6)**	**(144.2)**
Basic Solvency Capital	**520.4**	**524.2**
Operational Risk	**7.8**	**8.0**
Adjustment for Deferred Tax	**(129.1)**	**(132.7)**
Final Solvency Capital	**399.1**	**399.5**

The Company is not subject to any level of capital add-on.

E.2.3 Material changes

There have been no material movements in the Company's Solvency Capital Requirement during 2020. The final amount of the Solvency Capital Requirement is subject to supervisory assessment.

E.2.4 Adjustment for the loss-absorbing capacity of deferred taxes

€m	31 Dec. 2020	31 Dec. 2019
Adjustment for the loss-absorbing capacity of deferred taxes	(129.1)	(132.7)

The adjustment for the loss-absorbing capacity of deferred taxes is equal to the change in the value of deferred taxes of insurance and reinsurance undertakings that would result from an instantaneous loss of an amount that is equal to the sum of the following:

(a) the Basic Solvency Capital Requirement;

(b) the adjustment for the loss-absorbing capacity of technical provisions;

(c) the capital requirement for operational risk.

The adjustment for the loss-absorbing capacity of deferred taxes is tested for recoverability against future taxes on the value of expected future profits.

E.3 Use of the duration-based equity risk submodule in the calculation

The duration based equity risk sub module has not been used in the calculation of the Solvency Capital Requirement.

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

No internal or partial internal model has been used in the calculation of the Solvency Capital Requirement.

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

The Company has maintained Own Funds in excess of the Minimum Capital Requirement and Solvency Capital Requirement throughout the period.

F.

Appendix: Quantitative Reporting Templates

In € as at 31 December 2020

QRT ref	QRT Template name
S.32.01.22	Undertakings in the scope of the group
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.22.01.22	Impact of long term guarantees measures and transitionals
S.23.01.22	Own funds
S.25.01.22	Solvency Capital Requirement – for groups on Standard Formula

S.32.01.22

Undertakings in the scope of the group

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
C0020	C0010	C0040	C0050	C0060	C0070	C0080
LEI/222100G9WE14OVDGJW09	LU	Lombard International Assurance Holdings S.à r.l.	5 - Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	société à responsabilité limitée	2 - Non-mutual	Commissariat aux Assurances
LEI/549300TG736IJQBL4N81	LU	Lombard International Assurance S.A.	1 - Life insurance undertaking	société anonyme	2 - Non-mutual	Commissariat aux Assurances
SC/LEI/222100G9WE14OVDGJW09+GG00001	GG	Lombard International PCC Limited	1 - Life insurance undertaking	company limited by shares	2 - Non-mutual	GUERNSEY FINANCIAL SERVICES COMMISSION

Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
% 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
C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
100%	100%	100%		1 - Dominant	0.00	1 - Included in the scope		1 - Method 1: Full consolidation
100%	100%	100%		1 - Dominant	0.97	1 - Included in the scope		1 - Method 1: Full consolidation
100%	100%	100%		1 - Dominant	0.03	1 - Included in the scope		1 - Method 1: Full consolidation

S.02.01.02

Balance sheet

		Solvency II value
		C0010
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	1,526,023
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	52,788,098
Property (other than for own use)	R0080	–
Holdings in related undertakings, including participations	R0090	3,652,584
Equities	R0100	–
Equities – listed	R0110	–
Equities – unlisted	R0120	–
Bonds	R0130	16,555,014
Government Bonds	R0140	16,555,014
Corporate Bonds	R0150	–
Structured notes	R0160	–
Collateralised securities	R0170	–
Collective Investments Undertakings	R0180	27,378,467
Derivatives	R0190	–
Deposits other than cash equivalents	R0200	5,202,033
Other investments	R0210	–
Assets held for index-linked and unit-linked contracts	R0220	41,270,989,125
Loans and mortgages	R0230	–
Loans on policies	R0240	–
Loans and mortgages to individuals	R0250	–
Other loans and mortgages	R0260	–
Reinsurance recoverables from:	R0270	8,546,654
Non-life and health similar to non-life	R0280	–
Non-life excluding health	R0290	–
Health similar to non-life	R0300	–
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	8,546,654
Health similar to life	R0320	–
Life excluding health and index-linked and unit-linked	R0330	8,546,654
Life index-linked and unit-linked	R0340	–
Deposits to cedants	R0350	–
Insurance and intermediaries receivables	R0360	–
Reinsurance receivables	R0370	–
Receivables (trade, not insurance)	R0380	286,201,761
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	81,405,871
Any other assets, not elsewhere shown	R0420	2,860,115
Total assets	**R0500**	**41,704,317,647**

Liabilities		C0010
Technical provisions – non-life	R0510	–
Technical provisions – non-life (excluding health)	R0520	–
Technical provisions calculated as a whole	R0530	–
Best Estimate	R0540	–
Risk margin	R0550	–
Technical provisions – health (similar to non-life)	R0560	–
Technical provisions calculated as a whole	R0570	–
Best Estimate	R0580	–
Risk margin	R0590	–
Technical provisions – life (excluding index-linked and unit-linked)	R0600	9,477,368
Technical provisions – health (similar to life)	R0610	–
Technical provisions calculated as a whole	R0620	–
Best Estimate	R0630	–
Risk margin	R0640	–
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	9,477,368
Technical provisions calculated as a whole	R0660	–
Best Estimate	R0670	9,432,347
Risk margin	R0680	45,021
Technical provisions – index-linked and unit-linked	R0690	40,707,947,240
Technical provisions calculated as a whole	R0700	–
Best Estimate	R0710	40,520,143,475
Risk margin	R0720	187,803,765
Other technical provisions	R0730	
Contingent liabilities	R0740	–
Provisions other than technical provisions	R0750	4,408,067
Pension benefit obligations	R0760	–
Deposits from reinsurers	R0770	–
Deferred tax liabilities	R0780	133,179,297
Derivatives	R0790	–
Debts owed to credit institutions	R0800	–
Financial liabilities other than debts owed to credit institutions	R0810	–
Insurance & intermediaries payables	R0820	45,550,140
Reinsurance payables	R0830	–
Payables (trade, not insurance)	R0840	193,604,099
Subordinated liabilities	R0850	–
Subordinated liabilities not in Basic Own Funds	R0860	–
Subordinated liabilities in Basic Own Funds	R0870	–
Any other liabilities, not elsewhere shown	R0880	15,313,113
Total liabilities	**R0900**	**41,109,479,323**
Excess of assets over liabilities	**R1000**	**594,838,324**

S.05.01.02

Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations			
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance
		C0210	C0220	C0230	C0240
Premiums written					
Gross	R1410	–	–	3,127,723,009	357,259
Reinsurers' share	R1420	–	–	1,711,096	295,776
Net	R1500	–	–	3,126,011,913	61,483
Premiums earned					
Gross	R1510	–	–	3,127,723,009	357,259
Reinsurers' share	R1520	–	–	1,711,096	295,776
Net	R1600	–	–	3,126,011,913	61,483
Claims incurred					
Gross	R1610	–	–	2,857,083,827	–
Reinsurers' share	R1620	–	–	–	–
Net	R1700	–	–	2,857,083,827	–
Changes in other technical provisions					
Gross	R1710	–	–	1,181,773,273	4,641,547
Reinsurers' share	R1720	–	–	–	4,641,547
Net	R1800	–	–	1,181,773,273	–
Expenses incurred	R1900	–	–	94,923,148	528,675
Other expenses	R2500				
Total expenses	R2600				

		Life reinsurance obligations		Total
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	
C0250	C0260	C0270	C0280	C0300
–	–	–	–	3,128,080,268
–	–	–	–	2,006,872
–	–	–	–	3,126,073,396
–	–	–	–	3,128,080,268
–	–	–	–	2,006,872
–	–	–	–	3,126,073,396
–	–	–	–	2,857,083,827
–	–	–	–	–
–	–	–	–	2,857,083,827
–	–	–	–	1,186,414,820
–	–	–	–	4,641,547
–	–	–	–	1,181,773,273
–	–	–	–	95,451,823
				2,328,759
				97,780,582

S.05.02.01

Premiums, claims and expenses by country

		Home country	Top 5 countries (by amount of gross premiums written) – life obligations					Total for top 5 countries and home country
			SE	IT	FR	ES	BE	
		C0220	C0230	C0230	C0230	C0230	C0230	C0280
Premiums written								
Gross	R1410	292,587,641	327,903,330	587,907,879	847,547,518	570,911,507	225,563,119	2,852,420,994
Reinsurers' share	R1420	–	–	–	–	–	–	–
Net	R1500	292,587,641	327,903,330	587,907,879	847,547,518	570,911,507	225,563,119	2,852,420,994
Premiums earned								
Gross	R1510	292,587,641	327,903,330	587,907,879	847,547,518	570,911,507	225,563,119	2,852,420,994
Reinsurers' share	R1520	–	–	–	–	–	–	–
Net	R1600	292,587,641	327,903,330	587,907,879	847,547,518	570,911,507	225,563,119	2,852,420,994
Claims incurred								
Gross	R1610	798,778,213	199,412,155	603,503,801	178,160,784	223,314,887	382,193,809	2,385,363,648
Reinsurers' share	R1620	–	–	–	–	–	–	–
Net	R1700	798,778,213	199,412,155	603,503,801	178,160,784	223,314,887	382,193,809	2,385,363,648
Changes in other Technical Provisions								
Gross	R1710	443,899,402	(600,105,536)	(128,000,083)	(678,173,005)	(342,031,956)	163,426,911	(1,140,984,267)
Reinsurers' share	R1720	–	–	–	–	–	–	–
Net	R1800	443,899,402	(600,105,536)	(128,000,083)	(678,173,005)	(342,031,956)	163,426,911	(1,140,984,267)
Expenses incurred	R1900	12,801,639	8,965,689	18,286,258	19,699,770	12,951,247	12,014,064	84,718,667
Other expenses	R2500							**2,296,174**
Total expenses	R2600							**87,014,841**

S.22.01.22

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	40,717,424,608	–	–	533,797	–
Basic own funds	R0020	566,338,324	–	–	(173,968)	–
Eligible own funds to meet Solvency Capital Requirement	R0050	566,338,324	–	–	(173,968)	–
Solvency Capital Requirement	R0090	399,137,218	–	–	(851,873)	–

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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	12,500	12,500		–	
Non-available called but not paid in ordinary share capital at group level	R0020	–	–		–	
Share premium account related to ordinary share capital	R0030	25,645,000	25,645,000		–	
Initial funds, members' contributions or the equivalent basic own – fund item for mutual and mutual-type undertakings	R0040	–	–		–	
Subordinated mutual member accounts	R0050	–		–	–	–
Non-available subordinated mutual member accounts at group level	R0060	–		–	–	–
Surplus funds	R0070	–	–			
Non-available surplus funds at group level	R0080	–	–			
Preference shares	R0090	–		–	–	–
Non-available preference shares at group level	R0100	–		–	–	–
Share premium account related to preference shares	R0110	–		–	–	–
Non-available share premium account related to preference shares at group level	R0120	–		–	–	–
Reconciliation reserve	R0130	540,680,824	540,680,824			
Subordinated liabilities	R0140	–		–	–	–
Non-available subordinated liabilities at group level	R0150	–		–	–	–
An amount equal to the value of net deferred tax assets	R0160	–				–
The amount equal to the value of net deferred tax assets not available at the group level	R0170	–				–
Other items approved by supervisory authority as basic own funds not specified above	R0180	–	–	–	–	–
Non available own funds related to other own funds items approved by supervisory authority	R0190	–	–	–	–	–
Minority interests (if not reported as part of a specific own fund item)	R0200	–	–	–	–	–
Non-available minority interests at group level	R0210	–	–	–	–	–
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	–	–	–	–	–
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	–	–	–	–	
Deductions for participations where there is non-availability of information (Article 229)	R0250	–	–	–	–	–
Deduction for participations included by using D&A when a combination of methods is used	R0260	–	–	–	–	–
Total of non-available own fund items	R0270	–	–	–	–	–
Total deductions	R0280	–	–	–	–	–
Total basic own funds after deductions	R0290	566,338,324	566,338,324	–	–	–

		C0010	C0020	C0030	C0040	C0050
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	–			–	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	R0310	–			–	
Unpaid and uncalled preference shares callable on demand	R0320	–			–	–
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	–			–	–
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	–			–	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	–			–	–
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	–			–	
Supplementary members calls – other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	–			–	–
Non available ancillary own funds at group level	R0380	–			–	–
Other ancillary own funds	R0390	–			–	–
Total ancillary own funds	R0400	–			–	–
Own funds of other financial sectors						
Credit Institutions, investment firms, financial insitutions, alternative investment fund manager, financial institutions	R0410	–	–	–	–	
Institutions for occupational retirement provision	R0420	–	–	–	–	–
Non regulated entities carrying out financial activities	R0430	–	–	–	–	
Total own funds of other financial sectors	R0440	–	–	–	–	–
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	–	–	–	–	–
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	–	–	–	–	–
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	566,338,324	566,338,324	–	–	–
Total available own funds to meet the minimum consolidated group SCR	R0530	566,338,324	566,338,324	–	–	
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	566,338,324	566,338,324	–	–	–
Total eligible own funds to meet the minimum consolidated group SCR	R0570	566,338,324	566,338,324	–	–	
Minimum consolidated Group SCR	R0610	179,611,748				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	3.1531				
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	566,338,324	566,338,324	–	–	–
Group SCR	R0680	399,137,218				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1.4189				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	594,838,324
Own shares (held directly and indirectly)	R0710	–
Foreseeable dividends, distributions and charges	R0720	28,500,000
Other basic own fund items	R0730	25,657,500
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	540,680,824
Expected profits		
Expected profits included in future premiums (EPIFP) – Life business	R0770	–
Expected profits included in future premiums (EPIFP) – Non-life business	R0780	–
Total Expected profits included in future premiums (EPIFP)	R0790	–

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Solvency Capital Requirement – for groups on Standard Formula

Basic Solvency Capital Requirement			
		Gross solvency capital requirement	Simplifications
		C0110	C0120
Market risk	R0010	318,372,724	
Counterparty default risk	R0020	6,551,084	
Life underwriting risk	R0030	337,039,590	
Health underwriting risk	R0040	–	
Non-life underwriting risk	R0050	–	
Diversification	R0060	(141,580,145)	
Intangible asset risk	R0070	–	
Basic Solvency Capital Requirement	R0100	520,383,253	

Calculation of Solvency Capital Requirement		
		Value
		C0100
Operational risk	R0130	7,849,579
Loss-absorbing capacity of technical provisions	R0140	–
Loss-absorbing capacity of deferred taxes	R0150	(129,095,614)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	–
Solvency Capital Requirement excluding capital add-on	R0200	399,137,218
Capital add-ons already set	R0210	–
Solvency capital requirement for undertakings under consolidated method	R0220	399,137,218
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	–
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	–
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	–
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	–
Diversification effects due to RFF nSCR aggregation for article 304	R0440	–
Minimum consolidated group solvency capital requirement	R0470	179,611,748
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	–
Capital requirement for other financial sectors (Non-insurance capital requirements) – Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	–
Capital requirement for other financial sectors (Non-insurance capital requirements) – Institutions for occupational retirement provisions	R0520	–
Capital requirement for other financial sectors (Non-insurance capital requirements) – Capital requirement for non-regulated entities carrying out financial activities	R0530	–
Capital requirement for non-controlled participation requirements	R0540	–
Capital requirement for residual undertakings	R0550	–
Overall SCR		
SCR for undertakings included via D and A	R0560	–
Solvency capital requirement	R0570	399,137,218

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