LOMBARD INTERNATIONAL ASSURANCE HOLDINGS SARL

Solvency and Financial Condition Report

2021

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 2021, 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 the European arm of the Lombard International Group ("the Group"). The Group's main operations are located in Luxembourg and Philadelphia, serving over 25 markets across the United States, Europe, Asia and Latin America. The Group administers €59.4 billion of its clients' assets across the globe (as of 31 December 2021), of which €50.1 billion is administered by the Company.

The Group is a leading independent global wealth solutions provider with deep local market knowledge. It provides 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.

It has been working with advisors, high net worth individuals, their families and institutions for over 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 Group creates and delivers solutions for its clients that protect their legacy, secure their wealth now and for future generations. Its 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.

Funds managed by Blackstone own Lombard International Group. Blackstone is one of the world's leading investment firms with $881 billion in assets under management as of 31 December 2021.

2021 Business Performance

The power of partnerships cannot be understated and maintaining an environment in which relationships and collaborations can thrive was fundamental. 2021 was a year where this really came to the fore.

The Group delivered a strong performance in new business in its 30th anniversary year with €6.9 billion of new premium income and Assets Under Administration (AuA) of €59.4 billion, with positive net inflows. The Company continued to exhibit sustained cash and underlying profit generation, benefiting from the in-force book and controlled operating expenses.

This achievement further underscores the success and importance of the Group's long-term strategy of continuing to invest in building a sustainable business that serves current and future clients based around the world.

The Group is in robust health and financially strong as it continues to build momentum and presence in its specialised sector. Innovation and leadership, using our inhouse talent and technology as enablers, continue to be a key focus and allows the business to confidently design robust, cross-border wealth, estate, and succession planning solutions for Upper Affluent, HNW and UHNW families. The Group's solutions are shaped by insights from the trusted partnerships it has forged over the past three decades. The Company's unparalleled breadth and depth of experience means that it is able to deftly cater to the ever-sophisticated needs of partners and clients.

Partners and clients will continue to need wealth and investment solutions that are comprehensive and implemented expertly. Solutions that are compliant and proven, but also, highly flexible, portable and adaptable to their evolving lifestyles, whilst safeguarding their interests against both the certain and the unplanned.

Crucially, the Group's long-term growth strategy has remained steadfast. It's continued market leading expertise, high quality team, and people-led, client-centric mindset is fundamental to its delivery.

The Group remains focused on building a globally diversified and balanced business driven by multiple engines of growth in Europe, the US, Asia and Latin America, including the key global wealth hubs that are epicentres of HNW capital flows. With experienced personnel on the ground, the Group is able to foster strong local relationships with asset and investment managers, private bankers, wealth planners, brokers, and custodian banks, translating into valuable insights and enduring partnerships.

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 AuA during 2021:

Insurance Business AUA €m	31 Dec. 2021
Opening	41,271.0
Gross Inflow	5,270.8
Outflow	(2,257.4)
Investment Return	5,853.2
Closing	50,137.6

The following table shows the solvency position as at 31 December 2021:

Solvency €m	31 Dec. 2021
Solvency Own Fund (A)	684.7
Solvency Capital Requirement (B)	537.3
Solvency II Free Assets (A-B)	147.4
Solvency Ratio (A/B)	127.4%

The conditions supporting the assumptions and conclusions presented in this report predate the 2022 war in Ukraine and no allowance for this event has been made herein. The Company continues to monitor the situation to ensure that all appropriate information about its impact is considered.

LIAH's Board members: Florent Albert and Norbert Becker 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
Member of the
Board of Managers
20 May 2022

Norbert Becker
Member of the
Board of Managers
20 May 2022

A.
Business Performance

The business of the Company is predominantly the provision of unit-linked insurance contracts to 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

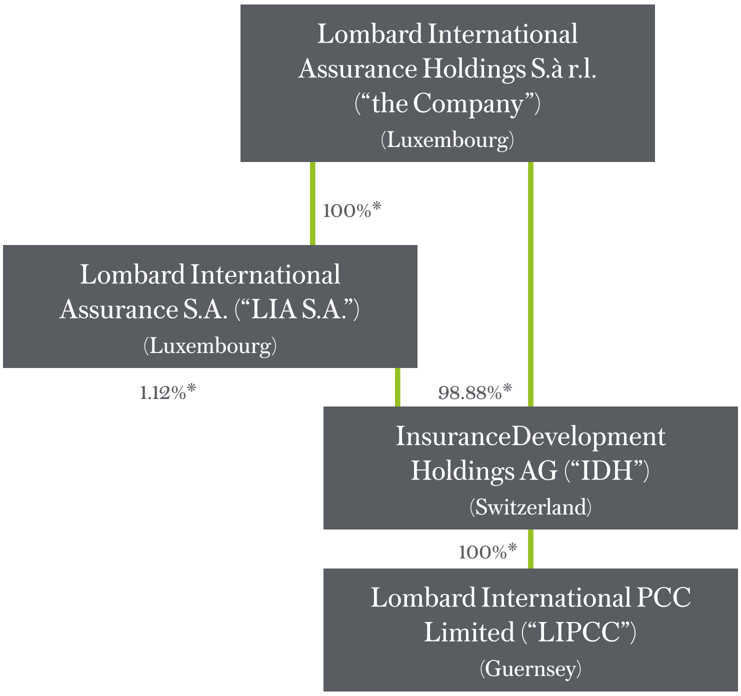
Under Solvency II, LIAH is supervised by the Commissariat aux Assurances ("CAA") in Luxembourg. The CAA may be contacted at 7, boulevard Joseph II, L-1840 Luxembourg.

A.1.3 Position within the legal structure of the Group

Lombard International Assurance Holdings S.à r.l. ("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 and commercial entities:

- Lombard International Assurance S.A. ("LIA"), a life insurance company incorporated in Luxembourg and with branches in Milan and Brussels (referred to in this report as "the Company");
- 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 A.G. ("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, to the knowledge of LIAH, who was the direct holder of qualifying holdings in LIAH was: LIA SubCo Ltd until 15 December 2021 when the Share Transfer Agreement between LIA SubCo Ltd and LIA Holdings Limited was executed and LIA Holdings Limited became the sole shareholder of LIAH. As at the reporting date, LIA Holdings Limited owned 100% of the shares of LIAH and was able to exercise 100% of the voting power.

A.1.5 External auditor of the undertaking

The independent auditor of the Company 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.

The Company offers wealth structuring solutions in a number of key markets including France, the UK, Italy, and Sweden as well as a number of other jurisdictions.

A.1.7 Full Time Equivalent Employees

The number of Full Time Equivalent ("FTE") employees is 389.7.

A.2 Underwriting performance

The Company 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. Only unit linked life insurance is a material line of business.

This business has in general, very low levels of insurance risk. In addition the Company utilises reinsurance to limit its overall risk exposure as well as to reduce the volatility of its claims and hence underwriting performance. The life protection product is fully reinsured. The table below shows the Company's premiums and claims for the year ended 31 December 2021:

Premiums and claims* €m	31 Dec. 2021	31 Dec. 2020
Gross Premiums Written	5,270.8	3,128.1
Reinsurers' Share	1.9	2.0
Net	5,268.9	3,126.1
Gross Claims Incurred	2,256.2	2,858.3
Reinsurers' Share	0.0	0.0
Net	2,256.2	2,858.3

A.3 Investment performance

The Company conducts the business of writing unit-linked life insurance policies. 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 short-term money market funds, 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 Company's investment income and investment charges for the year ended 31 December 2021:

Investment Income €m	31 Dec. 2021	31 Dec. 2020
Income From Participating Interests	0.0	0.0
Income From Affiliated Undertakings	0.0	0.0
Income From Other Investments	495.1	400.4
Realised Gains On Investments	2,826.9	2,491.9
Unrealised Gains On Investments	5,635.1	1,198.6
Total Investment Income	8,957.1	4,090.9

Investment Charges €m	31 Dec. 2021	31 Dec. 2020
Investment Management Charges	172.4	158.4
Realised Losses On The Sale Of Investments	1,168.7	1,599.5
Unrealised Losses On Investments	1,762.8	1,421.3
Total Investment Charges	3,103.9	3,179.2

The main driver of the positive growth during 2021 was the positive market movement.

A.4 Performance of other activities

The Company does not perform any other activity.

B.
System of Governance

B.1 General information on the System of Governance

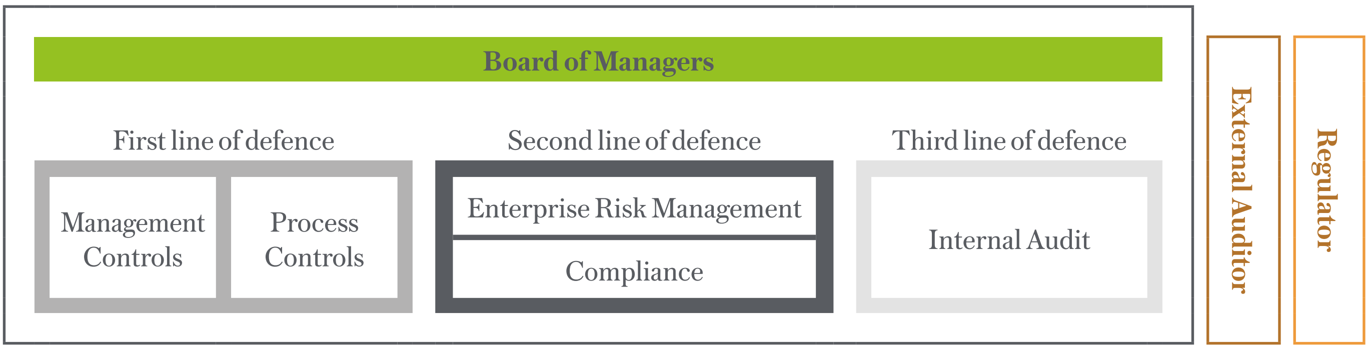
B.1.1 Introduction

LIAH is a holding company with a formalized governance system, which relies on the:

- LIAH Board of Managers ("BoM"), strengthened with newly appointed board members, including Non-Executive board members;
- Formally approved and confirmed key function holders for the following functions: (i) Chief Risk Officer; (ii) Chief Compliance Officer; (iii) Chief Actuary; (iv) Head of Internal Audit; and
- Regular business reports from the governing bodies of each of LIAH's operational entities: (i) LIA S.A.; and (ii) LIPCC.

Furthermore,

- 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_2021.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 2021 and the current BoM composition is as follows: Norbert Becker, Florent Albert, Jan Carendi, Virginie Lagrange, Sharon Ludlow, and Stuart Parkinson. Main changes in the corporate governance relate to the changes in the Board composition.

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 of the 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:
- A fixed remuneration;
- The annual bonus which complements the base salary and is the annual incentive plan designed to motivate and compensate employees based on performance measurements.

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

There were no material transactions and a planned distribution did not arise.

B.2 Fit and proper requirement

B.2.1 Specific requirements

The Fit & Proper Policy specifies the principles by which the Company, its subsidiaries, branches and related entities ensure that all Board Members and all Key Function Holders are expected to demonstrate their fitness and propriety ("Fit and Proper") for performing their role pursuant to the regulations and the principles for what is deemed Fit and Proper therein.

Under the current version of Article 42 of the Solvency II Directive 2009/138/EC, the Regulator must be notified the of any changes to the identity of any Individuals in Scope with all the information needed to confirm these persons are Fit and Proper for the roles they will be fulfilling.

Any temporary replacement (termination or prolonged absence) shall be notified to the Regulator with a foreseeable date of actual replacement, which should not be longer than 12 months after the termination.

B.2.2 Process of assessing fit and proper requirements

Key Function Holders* (the "Individuals in scope") are subject to a Fit and Proper assessment based on the fitness and propriety criteria outlined below and that is performed by the Human Resources team with support from the Compliance department, as needed (in case any conflicts of interest or independence issues arise):For key role holders, the assessment

* Individuals in scope are as follows: Board Members, Chief Risk Officer, Chief Compliance Officer, Money Laundering Reporting Officer, Chief Internal Auditor, Chief Actuary.

is performed in writing and includes the following three criteria:

a) **Experience and qualifications**: taking into account the nature, scale and complexity of the business and the responsibilities of the position concerned.

b) **Good reputation**: assessing reputation regardless of the nature, scale and complexity of the business and/or role.

c) **Governance and Independence**: when performing the assessment on the suitability of the Individuals in Scope, the overall functioning of the role within the corporate governance has to be assessed.

Assessments must be performed prior to the recruitment and/or in case of appointment at Board level, periodically (every 3 years) to ensure that Individuals in Scope are and remain Fit and Proper. It is the responsibility of each Individual in Scope to inform Human Resources of any event which may affect their suitability and declare any conflict of interest to the Compliance function as per the Conflict of Interest Policy. These events and/or conflict of interest may trigger a new Fit and Proper assessment.

Any Appointment of an Individual in Scope is done by the Board based on a written Fit and Proper report or may be granted conditionally, pending completion of a Fit and Proper assessment at the discretion of the Board.

Individuals in Scope no longer fulfilling the Fit and Proper requirements as from a particular point in time can no longer remain in such role unless the requirements can and will be met again within one month.

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

B.3.1 Risk Management

The roles, responsibilities, authorities, objectives and scope of the Risk Function in relation to the risk and control activities performed within the Company are outlined in the Risk & Control Charter.

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.

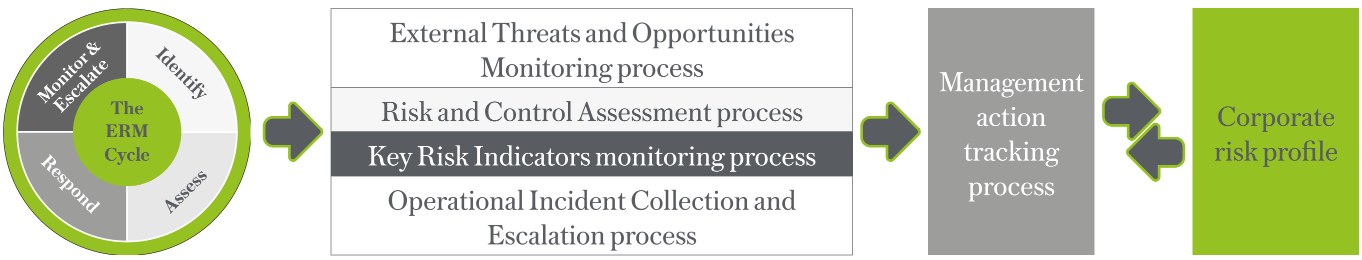
Enterprise Risk Management Framework

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.

As with all insurance undertakings, the Company faces different risks which are spread across the organisation. 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 its Risk Appetite Statement.

This Risk Appetite is further translated and articulated in a number of corporate policies and procedures compliant with all regulations in force, which document the risk governance, mitigation and controls in place to address its 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 operational 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 risk management actions coming from any 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 Non-Executive Audit and Risk Committee in its risk oversight duty.

This integrated ERM framework is embedded at the heart of the key decision making process. All key decisions made in the Company 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 a 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 BoM. 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 entity 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 Company has identified the material events that might trigger a re-evaluation and new iteration of the ORSA. 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 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 executive management 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 ROC and the BoD directly or through the ARC.

The Compliance Function focuses on Compliance risks which are defined as a failure to conduct its business in accordance with the regulatory rules in force and having potential regulatory, commercial and reputational impacts which can result in:

- Legal and regulatory risk;
- Sanctions risk;
- Reputational 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 Wealth Structuring Solutions; and coordinates the External Threats & Opportunities Monitoring process (i.e. Regulatory Watch) with the support 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 the 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 BoM via the Audit Risk Committee ("ARC") and executive management.

The Head of Internal Audit submits, at least annually, a risk-based 12-month audit plan and a 4-year plan to the ARC 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 and effectiveness of risk management and control across the entire business;
- Monitoring of compliance with the laws and regulations;
- 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 and the provision of accurate, complete, relevant and understandable information available without delay to the Board, specialised committees and, where appropriate, Senior Management and the Regulators;
- Implementation of the decisions taken by the executive management and by the persons acting by delegation and under its responsibility;
- Compliance with the procedures governing the solvency or prudential regime;
- Operation and effectiveness of the second line functions.

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 Managing Director of Lombard International Assurance S.A. and functionally to the Chairperson of the ARC, with whom direct bilateral meetings 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;
- contribute to the ORSA capital calculations.

B.7 Outsourcing

When choosing an outsourcing provider for any critical or important function or activity, the Company 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 outsourcing provider has the necessary financial resources to perform additional tasks in a proper and reliable way, and that all staff of the service provider who will be involved in providing the outsourced functions or activities are sufficiently qualified and reliable;
- 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 Company 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 Company 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 Company has to notify the supervisory authorities, in a timely manner, prior to the outsourcing of material (critical or important) functions or activities as well as 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 precontractual 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 the 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 (31 Dec. 2021)	Luxembourg GAAP*	Adjustments	Solvency II 31 Dec. 2021	Solvency II 31 Dec. 2020
Deferred Acquisition Costs	27.4	(27.4)	0.0	0.0
Intangible Assets	8.5	(8.5)	0.0	0.0
Property, Plant & Equipment Held For Own Use	2.6	0.0	2.6	1.5
Investments (Other Than Assets Held For Index-Linked And Unit-Linked Contracts)	85.8	(0.1)	85.7	52.8
Assets Held For Index-Linked And Unit-Linked Contracts	50,137.6	0.0	50,137.6	41,271.0
Reinsurance Assets	37.3	0.0	37.3	8.5
Insurance And Intermediaries Receivables	283.7	15.8	299.5	286.2
Cash And Cash Equivalents	88.3	0.0	88.3	81.4
Any Other Assets, Not Elsewhere Shown	3.5	0.0	3.5	2.9
Total Assets	**50,674.7**	**(20.2)**	**50,654.5**	**41,704.3**

D.1.1 Investments

Investments were mainly comprised of money market funds and fixed income securities.

a) Money Market Funds and assets received in advance from policyholders

As at 31 December 2021, the Company had €55.5m (2020: €27.4m) invested in money market funds and €4.0m (2020: €0.1m) as assets received in advance from policyholders. 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.

c) Loans to affiliated undertakings

At as 31 December 2021, loans to affiliated undertakings were €4.0m (2020: €3.6m).

d) Fixed income securities

As at 31 December 2021, fixed income securities amounted to €17.1m (2020: €16.1m).

e) Deposits with credit institutions

As at 31 December 2021, deposits with credit institutions amounted to €5.2m (2020: €5.2m).

* Generally Accepted Accounting Principles.

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 2021, the Company had a total receivables balance of €299.5m (2020: €286.2m). 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 2021, amounted to €88.3m (2020: €81.4m). 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 value 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 taxes 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 were as follows:

Technical Provision in €m	31 Dec. 2021	31 Dec. 2020
Best Estimate (of future) Liabilities	49,220.3	40,529.6
Risk Margin	251.4	187.8
Total Technical Provisions	49,471.7	40,717.4

The Solvency II technical provisions have moved from €40,717.4m at 31 December 2020 to €49,471.7m 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.

D.2.2.1 Best Estimate Liability

The Company's Best Estimate Liability 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.2.2.2 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 approach, 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 European Insurance & Occupational Pensions Authority ("EIOPA") 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 2017 to 2021. 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 as provided by the EIOPA. The Company did not use the matching adjustment. Full detail of the Euro interest rate curve prescribed for use at 31 December 2021 can be found at https://www.eiopa.europa.eu/sites/default/files/risk_free_interest_rate/eiopa_rfr_20211231.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 shows the differences between Solvency II valuations and valuations for Financial Statements:

€m	31 Dec. 2021	31 Dec. 2020
Luxembourg GAAP Insurance Contract Liabilities	50,175.1	41,280.7
Best Estimate of Future Liabilities under Solvency II	49,220.3	40,529.6
Risk Margin	251.4	187.8
Solvency II Technical Provisions	49,471.7	40,717.4

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 is no longer applied.

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 2021 there were no material amounts outstanding from reinsurance contracts. There were no special purpose vehicles.

D.2.12 Material Changes

There have been 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. 2021	31 Dec. 2020
Provisions Other Than Technical Provisions	26.1	4.4
Deferred Tax Liabilities	205.1	133.2
Insurance & Intermediaries Payables	37.6	45.6
Payables (Trade, Not Insurance)	209.6	193.6
Any Other Liabilities, Not Elsewhere Shown	19.8	15.3

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 BoM of the Company sets 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. 2021	31 Dec. 2020
Ordinary Share Capital	0.0	0.0
Share Premium Accounts	423.4	25.6
Reconciliation Reserve	261.3	540.7
Total Basic Own Funds After Deductions	684.7	566.3
Adjustments For Ineligible Assets	0.0	0.0
Solvency II Excess Of Assets Over Liabilities	684.7	566.3

The reconciliation reserve at 31 December 2021 is mostly comprised of the value of future profits expected from the in-force business. The change in the presentation of Share Premium Accounts in 2021 is mainly due to impact of the LIAH Group preparing audited consolidated annual accounts. The change in the Share Premium Accounts is offset by the change in the Retained Earnings accounts and the net impact on Equity is considered as nil.

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

€m	31 Dec. 2021	31 Dec. 2020
Statutory Accounts Excess Of Assets Over Liabilities	169.8	185.4
Accounting Policy Differences	514.9	380.9
Solvency II Excess Of Assets Over Liabilities	684.7	566.3

The Own Funds of the Company were impacted by the profit generated during the year.

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. 2021	31 Dec. 2020
Deferred Tax Asset	0.0	0.0

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 2021 were as follows:

€m	31 Dec. 2021	31 Dec. 2020
Solvency Capital Requirement	537.3	399.1
Minimum Capital Requirement	241.8	179.6

E.2.2 Risk Modules

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

€m	Solvency Capital Requirements 31 Dec. 2021	Solvency Capital Requirements 31 Dec. 2020
Mortality Risk	12.9	10.0
Longevity	1.1	1.0
Disability-Morbidity Risk	0.0	0.0
Lapse Risk	390.7	296.3
Expenses Risk	78.5	68.4
Catastrophe Risk	1.6	1.3
Revision	0.0	0.0
Diversification	(48.0)	(40.0)
Life Underwriting	**436.8**	**337.0**
Interest Rate Risk	7.6	1.5
Spread Risk	46.0	36.6
Equity Risk	337.0	228.3
Property Risk	0.0	0.0
Concentration Risk	4.0	2.6
Currency Risk	172.0	132.8
Diversification	(117.0)	(83.4)
Market Risk	**449.6**	**318.4**
Counterparty Default Risk (type 1)	4.8	3.0
Counterparty Default Risk (type 2)	2.0	4.0
Diversification	(0.3)	(0.4)
Counterparty Default Risk	**6.5**	**6.6**
Basic Solvency Capital Requirement (pre-diversification)	**892.9**	**662.0**
Diversification benefit	**(190.0)**	**(141.6)**
Basic Solvency Capital Requirement	**702.9**	**520.4**
Operational Risk	**8.6**	**7.8**
Adjustment for Deferred Tax Liability	**(174.2)**	**(129.1)**
Final Solvency Capital Requirements	**537.3**	**399.1**

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

E.2.3 Material changes

The movement in the Company's Solvency Capital Requirement during 2021 was mainly due to new business and investment performance which impact in particular Market risk and Lapse risk. Growth in the capital requirement generally moves in line with AuA. 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. 2021	31 Dec. 2020
Adjustment for the loss-absorbing capacity of deferred taxes	(174.2)	(129.1)

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 2021

QRT ref	QRT Template name
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.23.01.22	Own funds
S.25.01.22	Solvency Capital Requirement – for undertakings on Standard Formula
S.32.01.22	Undertakings in the scope of the Group

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	2,588,417
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	81,853,528
Property (other than for own use)	R0080	–
Holdings in related undertakings, including participations	R0090	–
Equities	R0100	–
Equities – listed	R0110	–
Equities – unlisted	R0120	–
Bonds	R0130	17,071,989
Government Bonds	R0140	16,151,074
Corporate Bonds	R0150	788,011
Structured notes	R0160	132,904
Collateralised securities	R0170	–
Collective Investments Undertakings	R0180	59,477,027
Derivatives	R0190	–
Deposits other than cash equivalents	R0200	5,304,512
Other investments	R0210	–
Assets held for index-linked and unit-linked contracts	R0220	50,137,601,451
Loans and mortgages	R0230	3,965,359
Loans on policies	R0240	–
Loans and mortgages to individuals	R0250	–
Other loans and mortgages	R0260	3,965,359
Reinsurance recoverables from:	R0270	37,304,479
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	37,304,479
Health similar to life	R0320	–
Life excluding health and index-linked and unit-linked	R0330	37,304,479
Life index-linked and unit-linked	R0340	–
Deposits to cedants	R0350	–
Insurance and intermediaries receivables	R0360	–
Reinsurance receivables	R0370	–
Receivables (trade, not insurance)	R0380	299,484,042
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	88,280,059
Any other assets, not elsewhere shown	R0420	3,434,527
Total assets	**R0500**	**50,654,511,862**

		C0010
Liabilities		
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	37,541,941
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	37,541,941
Technical provisions calculated as a whole	R0660	–
Best Estimate	R0670	37,345,831
Risk margin	R0680	196,110
Technical provisions – index-linked and unit-linked	R0690	49,434,122,693
Technical provisions calculated as a whole	R0700	–
Best Estimate	R0710	49,182,965,092
Risk margin	R0720	251,157,601
Other technical provisions	R0730	
Contingent liabilities	R0740	–
Provisions other than technical provisions	R0750	26,131,088
Pension benefit obligations	R0760	–
Deposits from reinsurers	R0770	–
Deferred tax liabilities	R0780	205,080,859
Derivatives	R0790	–
Debts owed to credit institutions	R0800	–
Financial liabilities other than debts owed to credit institutions	R0810	–
Insurance & intermediaries payables	R0820	37,578,425
Reinsurance payables	R0830	–
Payables (trade, not insurance)	R0840	209,567,646
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	19,788,019
Total liabilities	**R0900**	**49,969,810,671**
Excess of assets over liabilities	**R1000**	**684,701,191**

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			5,270,440,531	348,586
Reinsurers' share	R1420			1,643,144	296,515
Net	R1500	–	–	5,268,797,387	52,071
Premiums earned					
Gross	R1510			5,270,440,531	348,586
Reinsurers' share	R1520			1,643,144	296,515
Net	R1600	–	–	5,268,797,387	52,071
Claims incurred					
Gross	R1610			2,256,157,146	–
Reinsurers' share	R1620			–	–
Net	R1700	–	–	2,256,157,146	–
Changes in other technical provisions					
Gross	R1710			8,865,663,176	28,757,825
Reinsurers' share	R1720			–	28,757,825
Net	R1800	–	–	8,865,663,176	–
Expenses incurred	R1900			132,245,827	304,092
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
–	–	–	–	5,270,789,117
–	–	–	–	1,939,659
–	–	–	–	5,268,849,458
–	–	–	–	5,270,789,117
–	–	–	–	1,939,659
–	–	–	–	5,268,849,458
–	–	–	–	2,256,157,146
–	–	–	–	–
–	–	–	–	2,256,157,146
–	–	–	–	8,894,421,001
–	–	–	–	28,757,825
–	–	–	–	8,865,663,176
–	–	–	–	132,549,919
				34,432,409
				166,982,327

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	FI	PT	
		C0220	C0230	C0230	C0230	C0230	C0230	C0280
Premiums written								
Gross	R1410	1,439,923,823	731,067,099	891,539,043	1,135,751,441	440,631,988	198,978,257	4,837,891,651
Reinsurers' share	R1420	–	–	–	–	–	–	–
Net	R1500	1,439,923,823	731,067,099	891,539,043	1,135,751,441	440,631,988	198,978,257	4,837,891,651
Premiums earned								
Gross	R1510	1,439,923,823	731,067,099	891,539,043	1,135,751,441	440,631,988	198,978,257	4,837,891,651
Reinsurers' share	R1520	–	–	–	–	–	–	–
Net	R1600	1,439,923,823	731,067,099	891,539,043	1,135,751,441	440,631,988	198,978,257	4,837,891,651
Claims incurred								
Gross	R1610	347,379,972	137,658,393	765,510,979	228,210,648	124,055,642	46,073,376	1,648,889,010
Reinsurers' share	R1620	–	–	–	–	–	–	–
Net	R1700	347,379,972	137,658,393	765,510,979	228,210,648	124,055,642	46,073,376	1,648,889,010
Changes in other Technical Provisions								
Gross	R1710	3,448,083,619	1,608,011,568	924,983,854	1,472,317,589	506,659,969	314,169,005	8,274,225,604
Reinsurers' share	R1720	–	–	–	–	–	–	–
Net	R1800	3,448,083,619	1,608,011,568	924,983,854	1,472,317,589	506,659,969	314,169,005	8,274,225,604
Expenses incurred	R1900	22,443,669	6,097,196	31,165,586	26,323,577	3,930,281	7,094,787	97,055,095
Other expenses	R2500							**25,756,494**
Total expenses	R2600							**122,811,589**

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S.23.01.22

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	423,361,890	423,361,890		–	
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	261,326,801	261,326,801			
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	684,701,191	684,701,191	–	–	–

		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 institutions, alternative investment fund managers, UCITS management companies – total	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	684,701,191	684,701,191	–	–	–
Total available own funds to meet the minimum consolidated group SCR	R0530	684,701,191	684,701,191	–	–	
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	684,701,191	684,701,191	–	–	–
Total eligible own funds to meet the minimum consolidated group SCR	R0570	684,701,191	684,701,191	–	–	
Minimum consolidated Group SCR	R0610	241,778,218				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	2.8319				
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	684,701,191	684,701,191	–	–	–
Group SCR	R0680	537,284,928				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1.2744				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	684,701,191
Own shares (held directly and indirectly)	R0710	–
Foreseeable dividends, distributions and charges	R0720	–
Other basic own fund items	R0730	423,374,390
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	261,326,801
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	449,596,074	0
Counterparty default risk	R0020	6,452,329	
Life underwriting risk	R0030	436,783,683	0
Health underwriting risk	R0040	–	0
Non-life underwriting risk	R0050	–	0
Diversification	R0060	(189,976,504)	
Intangible asset risk	R0070	–	
Basic Solvency Capital Requirement	R0100	702,855,582	

Calculation of Solvency Capital Requirement		Value
		C0100
Operational risk	R0130	8,611,877
Loss-absorbing capacity of technical provisions	R0140	–
Loss-absorbing capacity of deferred taxes	R0150	(174,182,531)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	–
Solvency Capital Requirement excluding capital add-on	R0200	537,284,928
Capital add-ons already set	R0210	–
Solvency capital requirement for undertakings under consolidated method	R0220	537,284,928
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	241,778,218
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	537,284,928

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	société à responsabilité limitée	2	Commissariat aux Assurances
LEI/549300TG736IJQBL4N81	LU	Lombard International Assurance S.A.	1	société anonyme	2	Commissariat aux Assurances
SC/LEI/222100G9WE14OVDGJW09+ GG00001	GG	Lombard International PCC Limited	1	company limited by shares	2	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	0.0%	1		1
100%	100%	100%		1	96.8%	1		1
100%	100%	100%		1	3.2%	1		1

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