CNP Europe Life DAC

Solvency and Financial Condition Report (“SFCR”)
For the financial year ended 31 December 2017

Summary

CNP Europe Life Designated Activity Company ("CEL" or "The Company") is a 100% owned subsidiary of CNP Assurances SA ("CNP"). In October 2014, in the absence of a strategic plan for new business for the Company, CNP requested that the Company cease writing new business and that it be placed into a run off position. The Directors formally resolved to put the Company into run off.

The exact nature and time scale of this run off is dependent on the operational constraints of exiting the existing business obligations of the Company but it is expected that this run off should be completed as soon as practically possible.

The Board and Management of the Company are cognisant of policyholder reasonable expectations and any final run off plans will ensure that policyholder interests will be fully protected in any transfer of the business.

The main risks and uncertainties faced by the Company relate primarily to the run off of the existing business. It is the overall objective of the Shareholder, Directors and the Management to accomplish an orderly run off of the Company. It is the Shareholders stated commitment to ensure that all obligations of the Company are fully met throughout the run-off process.

It is anticipated that all remaining portfolios and contracts will transfer out of the Company during 2018.

In April 2017, the Company returned surplus capital in the amount of €48.714m by way of interim dividend to CNP Assurances S.A.

At 31.12.2017, the SCR was determined to be €4.31m which is €4.98m lower than the SCR at 31.12.2016. The decrease in the SCR is primarily due to the refund of capital and consequently lower market and counter-party risk on the Company's Own Funds.

At 31.12.2016 the Eligible Own Funds were reduced to take account of the forseeable distribution, however the SCR did not take account of this at this time. Following the capital refund, the solvency cover increased from 327% at 31.12.2016 to 633% at 31.12.2017 as a result of the consequent decrease in the counter-party SCR.

The Company has obtained the CBI's approval regarding the derogation of the requirement for a separate Risk Committee. This approval is to be reviewed in March 2018 in light of the run off progress. Where this report refers to the Risk Committee, it should be noted that this function is now performed by the Board.

A. Business and Performance

A.1 Business

A.1.1 Name and legal form of the undertaking;
The name of the Company is CNP Europe Life Designated Activity Company.
The Company is a designated activity company limited by shares, that is to say a private company limited by shares registered under Part 16 of the Companies Act 2014.
Registered in Ireland No. 305512
Registered Office: 33 Sir John Rogerson's Quay, Dublin 2, Ireland.
Operating address: Alexandra House, The Sweepstakes, Ballsbridge, Dublin 4, Ireland.

A.1.2 Name and contact details of the supervisory authority responsible for financial supervision of the undertaking and, the name and contact details of the group supervisor of the group to which the undertaking belongs;
The Company is regulated by the Central Bank of Ireland ("CBI").
The CBI's address is:
New Wapping Street,
North Wall Quay,
Dublin 1.

The Directors regard CNP Assurances S.A. (4 Place Raoul Dautry, 75015 Paris, France), a Company incorporated in France, as the Parent Company of CNP Europe Life DAC. CNP Assurances S.A. is the sole group into which the results of CNP Europe Life DAC are consolidated. CNP Assurances SA is regulated by the Autorité de contrôle prudentiel et de resolution (the independent administrative authority which monitors the activities of banks and insurance companies in France).

A.1.3 Name and contact details of the external auditor of the undertaking;
PwC.
One Spencer Dock,
North Wall Quay,
Dublin 1

A.1.4 Description of the holders of qualifying holdings in the undertaking;
The Company is wholly owned by CNP Assurances S.A.

A.1.5 Details of the undertaking's position within the legal structure of the group;
The Company is a 100% owned subsidiary of CNP Assurances S.A.

A.1.6 Material lines of business and material geographical areas where it carries out business;
During 2017, the Company had material lines of business in the UK and Italy.

In 2017, the Company had the following lines of business:

- UK pensions business – insurance of deferred and immediate annuities.
- Unit Linked Portfolio Bond policies written in Italy.
- Index Linked policies written in Italy. The last tranche of this business matured in October 2014, and the Company maintains liabilities in respect of unclaimed maturities.

A.1.7 Significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking.
The Company has no other material information to report.

A.2 Underwriting Performance

The Company received no new premiums in the year. The Company's Portfolio Bond products retain a facility for Top Up premiums but none were received in the year under review. The Company's underwriting risk is therefore limited to it's in force portfolio.

A.3 Investment Performance

Shareholder funds continue to be held predominantly in Euro and in cash in the period under review. In the prevailing low interest environment it continues to grow more challenging to achieve any degree of yield on these funds held.

The Company's Shareholder continues to be of a mind that the higher credit risk that would be required to achieve increase yield is not desired.

Given the above scenario, investment return in 2017 remains negligible as was the case in the corresponding period through 2016.

A.4 Performance of other activities

The Company had no other material income or expense incurred over the reporting period or in the corresponding previous reporting period.

A.5 Any other information

The Company has no other material information to report.

B. System of Governance

B.1 General information on the system of governance

B.1.1 Structure of the Company's Board of Directors.
The Company is classified as a Low Risk firm (reduced from Medium Low on the 21st February 2018) under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM or Probability Risk and Impact SysteM and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

The Company's Board of Directors is made up of one executive director (the CEO) and four non-executive directors, two of whom are employees of the Group and two of whom are independent. The Chairman of the Board is a Group appointed non-executive director.
Board of Directors:

Y Couturier (French) (Chairman)
G Haughton (CEO)
L Jumelle (French) (Retired 16th November 2017)
G Kuch (French) (Appointed 16th November 2017)
G Moloney (Independent)
H Murphy (Independent)

Company Secretary:

Tudor Trust Limited.

The role of the Board is to carry out its duties and obligations as set out in statute and common law and has the ultimate responsibility for the compliance, by the undertaking, with the law. It is thus incumbent on the Board to ensure that an adequate system of governance is in place given the nature, scale and complexity of the operations. In performing this role the Board is obliged to provide strategic guidance for the Company and effective oversight of management. The Board shall always retain ultimate authority over management of the Company.

The Board has approved the establishment of an Audit Committee and a Risk Committee. In 2016, the Company obtained the CBI's approval regarding the derogation of the requirement for a separate Risk Committee. This approval is to be reviewed in March 2018 in light of the run off progress. Where this report refers to the Risk Committee, it should be noted that this function is now performed by the Board.

The Company has established the four key independent control functions required under the Corporate Governance Requirements for Insurance Undertakings 2015 - Risk Management, Compliance, Actuarial and Internal Audit. These functions are responsible for providing oversight of and challenge to the business and for providing assurance to the Board in relation to the Company's control framework.

B.1.2 Risk Function
The Risk Function and role of Chief Risk Officer is outsourced to CNP Assurances S.A. The responsibilities of the CRO include, but are not limited to the following matters:

- Provide CEO and Board with the strategic risk management vision.
- Defining and documenting the risk management strategy.
- Assisting the effective operation of an overall risk management system.
- Monitoring the risk management system.
- Maintaining a firm-wide and aggregated view of the risk profile.
- On-going assessment of the Company's solvency requirement.
- Identify, assess and mitigate risks in the business.

B.1.3 Compliance Function

The Compliance Officer reports to the Board and raises issues as they arise, to the Company's CEO. The responsibilities of the Compliance Officer include, but are not limited to the following matters:

- Obtaining the approval of the Board for a policy statement on compliance with the Insurance Acts and Regulations, with guidelines issued by the insurance supervisory authority and with other applicable legislation.
- Monitoring the implementation of compliance and reporting periodically to the Chief Executive and to the Board thereon.
- Reviewing products, procedures and systems on a planned basis from the viewpoint of effective compliance and advising as to steps necessary to ensure compliance
- Reviewing staff training processes so as to ensure appropriate compliance competencies
- To report on significant instances of non-compliance to the Board.
- To monitor Compliance within the Company and its service providers, making recommendations where change is required.
- To monitor regulatory change and to inform the Company and its service providers where such changes have implications for the Company's processes.

B.1.4 Actuarial Function

The responsibilities of the Head of Actuarial Function ("HoAF") and the Actuarial Function, in line with guidance from the Central Bank of Ireland, include, but are not limited to the following matters:

- Coordinating the calculation of the firm's technical provisions
- Assessing the consistency of the internal and external data used in the calculation of technical provisions against the data quality standards as set in Solvency II
- Continuous monitoring of the solvency position of the Company and the required level of statutory reserves
- Reporting on the solvency position of the Company.
- The provision of advice, support and recommendations to the Company on the ORSA (Own Risk and Solvency Assessment) process.

B.1.5 Internal Audit

The Internal Audit Function is an independent, objective, assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
The responsibilities of Internal Audit include, but is not limited to, the following:

- Developing an annual risk based Internal Audit Plan;
- Independently and critically evaluating and reporting on the effectiveness and efficiency of internal control;
- Evaluating the organisation's compliance with policies, procedures, best practice, legislation and regulations;
- Preparing an Internal Audit Report following each audit; and
- Putting in place a follow up procedure to keep track of remedial actions taken by management to address control deficiencies noted.

Internal Audit carry out their responsibilities through the development and execution of a risk based Internal Audit Plan. Reviewed findings, along with recommendations for improvement, are documented and reported to the Board and the Audit Committee in line with this Internal Audit Policy. Recommendations shall include the envisaged period of time to remedy the shortcomings and the persons responsible for doing so.

B.1.6 Material changes in the system of governance that have taken place over the reporting period

In 2016, the Company obtained the CBI's approval regarding the derogation of the requirement for a separate Risk Committee. This approval is to be reviewed in March 2018 in light of the run off progress. Where this report refers to the Risk Committee, it should be noted that this function is now performed by the Board.

B.1.7 Information on the remuneration policy and practices regarding administrative, management or supervisory body and employees

The Company is 100% owned by CNP Assurances and thus the Company does not maintain a separate remuneration policy to that of the CNP Group.

The Company provides a range of benefits to employees, including contractual salary, life cover, permanent health insurance and paid holiday arrangements.

The Company pays contributions based on a percentage of salary into a Group Retirement Scheme on behalf of its permanent employees (defined contribution). Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. The assets of the plan are held separately from the Company in independently administered funds. Employees may contribute additional voluntary contributions to suit their circumstances.

The Company operates an annual bonus plan, paid at the discretion of the Company's management and does so within the confines of ensuring that its remuneration practices promote sound and effective risk management.

B.1.8 Information about material transactions during the reporting period with Shareholders

The Company did not have any further material transactions during the reporting period with Shareholders, with persons who exercise a significant influence on the undertaking, with members of the administrative, management or the supervisory body.

B.2 Fit and proper requirements

The Company, as a regulated insurance undertaking authorised by the Central Bank of Ireland ("the CBI") is subject to the provisions of the Central Bank Reform Act 2010 (Sections 20 and 22) Regulations 2011 (herein "the Regulations") and the CBI Fitness and Probity Standards, as issued pursuant to Section 50 of the Central Bank Reform Act 2010 (together with the Regulations referred to herein as "the Standards").

CNP Europe Life carry out an audit of persons performing Control Functions (CF's) and Pre-Approved Control Functions (PCF's) on an annual basis. In addition to the audit of individuals, persons in CF and PCF roles are requested to confirm whether they are aware of any material developments in relation to their compliance with the Fitness and Probity Standards of which the Company ought to be aware

The Company places a high value on appointing persons who are in compliance with the Fitness and Probity Standards. The Standards provide that persons who carry out certain functions for a regulated insurance undertaking must:

1. Be competent and capable;
2. Act honestly, ethically and with integrity; and
3. Be financially sound.

The Board of Directors is committed to ensuring that the Company shall not permit any person to perform a CF/PCF role unless the person has agreed to abide by the Standards and the Company is satisfied on reasonable grounds that the person complies with the Standards.

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

B.3.1 Risk Management System

CEL adopts a holistic approach to risk management by analysing risk from both a top-down and bottom-up perspective.

The processes conducted on a top-down basis are:

- Risk Appetite – the Risk Appetite is reviewed on a regular basis.
- Business Strategy – CEL's business strategy is summarised in the Risk Appetite and is the key driver for formulating the risk appetite.
- Strategic Risk Assessments - Strategic Risk Assessments are performed as part of the annual business planning process.

The processes conducted on a bottom-up risk management basis are:

- A review of the current business is performed to identify the key processes. Process risks and controls are identified and documented in the Risk Register.
- A risk assessment review is conducted, including a Risk and Control Self-Assessment (RCSA).
- The CRO performs an independent review and challenge of the RCSA based on their knowledge of the business, internal audit and external audit report findings.
- The CRO reports the findings of the RCSA and a summary assessment of the results (Risk Profile) to the Board and Risk Committee.
- The Corporate Risk Register is assessed at least annually to determine if there are any significant changes to CEL's risk profile which would result in having to re-run the ORSA. Similarly, changes to the Risk Appetite, Business Strategy and Strategic Risk Assessments are considered to determine if the ORSA needs to be run on an exceptional basis.

The main objective of the Risk Management System is to ensure that all significant risks are identified, assessed, monitored and controlled within the agreed risk appetite.

The Risk Management strategy is derived from CEL's business strategy whereby CEL is in the run-off stage of its lifecycle. CEL's strategic risk focus is to monitor and manage the risks associated with its business strategy. CEL uses a number of mechanisms to achieve its Risk Management Strategy as outlined in this Risk Management System including, CEL's Risk Appetite Statement, its Risk Management Framework, risk governance, policies and risk management reporting.

The Risk Appetite Statement formalises the level of risk CEL is willing to accept in pursuit of its strategic objectives. The framework provides a risk-based view of the strategy of the organisation using both quantitative and qualitative statements to define the organisation's desired level of risk.

CEL's ORSA process provides the link between CEL's risk profile, its Risk Appetite, its business strategy and its overall solvency requirements. Stress tests and sensitivity analysis are performed to provide an adequate basis for the assessment of the overall solvency needs and to plan future business changes, ensuring that they are within the Board's pre-determined risk appetite.

A formal ORSA is prepared and approved by the Board on an annual basis. In the event of any material changes to the business during the year a new ORSA is prepared and presented to the Board.

CEL uses a variety of techniques to identify risks within the organisation including Risk and Control Self Assessments (RCSAs). A key component of the Risk Control Cycle is the RCSA process, described below as follows. From time to time, CEL conducts risk and control self-assessments (RCSAs). The RCSA involves identifying the impact and likelihood of risks occurring and using this to grade the risks on a scale of 1-4 with 4 being defined as "Very High". Output from the RCSA is documented in the form of the Risk Register and includes mitigation plans where relevant. Risks without appropriate mitigation plans will represent the Residual Risk.

The top 10 risks from the Risk Register are reported to the Risk Committee at each of its meetings.

The Risk Management system is over-seen by the Risk Management function.

CEL has an independent Risk Function charged with oversight, review and supervision of the identification, measurement, management, reporting and monitoring of risk within the organisation. The function is headed by the CRO, who:

- Is responsible for developing and maintaining CEL's Risk Management System, framework and policies;
- Has independent oversight of all risk management activities;
- Provides independent reporting to the RC on risk issues, including the risk profile of CEL;
- Provides independent reporting to CNP's Group's Risk function;
- Provides independent assurance to the Chief Executive Officer and the RC that key risks are identified and managed by the executive management;

The Risk Management function is out-sourced to CNP Assurances SA. The Company's CRO is an employee of CNP Assurances SA. Regular meetings are held between the Company's management and the CRO. Any key business decisions are reviewed and approved by the CRO before they are presented to the Board.

B.3.2 Own Risk and Solvency Assessment

B.3.2.1 ORSA Process

The key activities in the ORSA process can be categorised as follows:

- Strategy and planning;
- Risk identification and assessment; and
- Technical calculations and analysis.

The key components of the ORSA have been set out chronologically below, i.e. we can observe the various steps in the transition from the ORSA Policy to the ORSA Report.

An indicative overview of the ORSA process is provided below:

1. Setting Risk Appetite
2. Corporate strategy
3. Risk Assessment – Strategic Risk Assessment and Corporate Risk Register
4. Balance sheet projection
5. Capital model results and analysis
6. Stress and scenario analysis
7. Assessment of own funds
8. Production of draft "ORSA Report"
9. Discussion of ORSA results with CEO

10. Production of final "ORSA Report"

11. Submission to Risk Committee/ Board

The results of the ORSA form an important input into CEL's decision making process, particularly around the strategic and capital aspects.

Possible recommendations arising from the ORSA process might include enhancements to the process itself or changes to the risk appetite, capital management, business strategy, product development, investment strategy or reinsurance programme. The risk profile of the Company is impacted by its Run-off status and any recommendations are made within this context.

B.3.2.2 Frequency of ORSA

The ORSA is run on at least an annual basis ahead of the year end or on the occurrence of events which may result in a material change to CEL's risk profile and result in triggering a non-routine ORSA. The ORSA is prepared to coincide with the business planning cycle, thereby allowing CEL to review its strategy and amend future business plans due to changes such as underwriting, price of reinsurance etc.

B.3.3 Determination of Own Solvency Needs

CEL's Risk Appetite defines the solvency levels which the Company must keep in order to manage its risks within the tolerance levels of the Company. The Risk Appetite is considered over a 5 year projection period, with a minimum level of solvency cover required at each future year under adverse stress scenarios in an ORSA environment. The Risk Appetite is key in defining the interaction between the Company's capital management activities and its risk management system.

B.4 Internal control system

Internal Control is a continuous set of processes carried out by the Board of Directors, management and all personnel, designed to provide reasonable assurance of:

- Effectiveness and efficiency of operations.
- Reliability of financial and non-financial information.
- An adequate control of risks.
- A prudent approach to business.
- Compliance with laws and regulations, and internal policies and procedures.

Risk, Actuarial, Internal Audit, Compliance and Finance Functions are the key Control Functions in CEL. These Control Functions are tasked with overseeing the effectiveness and efficiency of CEL's internal control systems, the reliability of CEL's financial reporting and compliance with applicable laws, regulations and administrative provisions.

CEL's Internal Audit function provides independent assurance to the Audit Committee, Risk Committee and the Board of Directors on the adequacy and effectiveness of CEL's internal control systems.

The Compliance Officer as Head of Compliance of CEL is responsible for the management of the Compliance Function. The Compliance Function shall be authorised to obtain the necessary assistance of employees in all departments of CEL as required.

The Compliance Function is granted full, free and unrestricted access to any and all of CEL's records (manual or electronic), physical properties and employees relevant to any function under review. Such access being in accordance with all relevant legislative requirements including data protection.

The Compliance Function is authorised to communicate directly, and on its own initiative, to the Board and the members of both the Audit & the Risk Committees.

The Compliance Function shall deliver its annual Compliance Report without impairment in all areas of CEL. It shall be free to express its opinion and to disclose its findings to the Chief Executive Officer, the Audit and Risk Committees and the Board as it sees fit.

B.5 Internal audit function

Without prejudice to the responsibility of the Board of CEL, the Audit Committee assumes responsibility for monitoring the effectiveness of the Internal Audit Function.

The Head of Internal Audit (HIA) of CEL is responsible for the management of the Internal Audit Function. The HIA shall be authorised to obtain the necessary assistance of employees in all departments of CEL as required.

The HIA shall be authorised to communicate directly, and on its own initiative, to the Board and the members of both the Audit & the Risk Committees. The Internal Audit Function, led by the HIA, shall report administratively to the Chief Executive Officer (CEO) and functionally to the Board.
The Internal Audit Function shall have operational independence, and shall have no direct responsibility, authority or involvement in the activities it reviews with the exception of its legal and compliance obligations.

The Board of CEL has elected to avail of the services of the Internal Audit services of the CNP Group and/or the services of KPMG Dublin Risk Consulting.

B.6 Actuarial function

The Actuarial Function of the Company reports to the Board and works closely with the CNP Group Actuarial and Risk Functions.

The HoAF is performed by Mr. Ian McMurtry, who is an employee of the Company. Mr. McMurtry is a Fellow of the Society of Actuaries in Ireland and a Fellow of the Faculty of Actuaries.

As HoAF, Mr McMurtry is responsible for, but not limited to:

- Providing the Actuarial Opinion on Technical Provisions (AOTP)to the CBI annually which addresses the Technical Provisions of CEL as reported in any annual supervisory report to the CBI dated on or after June 30th 2016,
- Providing the Board with an Actuarial Opinion regarding the risks and the adequacy of the scenarios, including financial projections, considered as part of each ORSA process of CEL. This report shall be submitted to the CBI on request,
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions,
- Expressing an opinion on the adequacy of reinsurance arrangements,
- Comparing best estimates against experience,
- Advising the Board on appropriateness of allocation of surplus of assets over liabilities to policyholders,
- Monitoring CEL's compliance with requirements relating to disclosure of information to policyholders.
- Preparing an Actuarial Function report for the Board.

Mr McMurtry oversees the tasks of the Actuarial Function as per Article 48 of the Solvency II Directive. Specific tasks may, on occasion, involve the use of a calculation agent and/ or use of CNP Group resources.

B.7 Outsourcing

The Company only enters into material outsourcing arrangements where there is a sound operational and commercial basis for doing so.

The Material Activities which are currently outsourced by the Company are:

- Policy administration is outsourced to IPSI (Ireland) and CAPITA (UK).
- The Risk Function and Chief Risk Officer role is outsourced to CNP Assurances S.A.

The Company's Board approved outsourcing policy states that the Company must ensure that any outsourcing:

- Does not unduly increase operational risk; and
- Does not negatively affect service to customer.

This policy further states that the Company must determine for each outsource arrangement whether the arrangement is material or not. Material activities are defined as:

- activities of such importance that any weakness or failure in the provision of these activities could have a significant effect on CELs ability to meet its regulatory responsibilities, deliver services to policyholders and/or to continue in business;
- any other activities requiring a licence from the relevant supervisory authority;
- any activities having a significant impact on its risk management; and
- the management of risks related to these activities.

Typically an outsourcing arrangement will be material if it involves any of the following activities:

- the investment of assets or portfolio management;
- claims handling;
- the provision of regular or constant compliance, internal audit, accounting, risk management or actuarial support;
- the provision of data storage;
- the provision of on-going, day-to-day systems maintenance or support; and
- the ORSA process.

Outsourcing arrangements which would not be classified as material includes the following:

- the provision of advisory services to the undertaking , and other services which do not form part of the undertaking's insurance or reinsurance activities, such as legal advice, the training of personnel and the security of premises and personnel;
- the purchase of standardised services, including market information services and the provision of price feeds;
- the provision of facilities support, such as cleaning or catering; and
- the provision of elements of human resources support, such as recruiting temporary employees and processing the payroll.

The Board of Directors retain full responsibility for all Outsourced Activities. The Board has delegated ownership of this outsourcing policy to CEL's Chief Executive Officer. The Board is ultimately responsible for ensuring that:

- There is adequate oversight and governance within CEL in relation to outsourcing;
- The Outsourcing policies and the procedures set out are appropriate to the Company and the Board shall review this Policy at least annually and ensure that recommendations for improvements are adequately incorporated.
- The Board approve proposals to outsource activities.

- If an outsourced activity is material, the Board along with the Board Risk Committee must approve the outsourcing arrangement.

B.8 Any other information

The Company has assessed its corporate governance system and has concluded that it effectively provides for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of the operations of a company which is closed to new business.

C. Company Risk Profile

The Company is categorised as "Low" risk by the CBI, using its PRISM methodology.

The Company's risk profile can be considered qualitatively through its SCR where it uses the Standard Formula to calculate its SCR. (See section E.2). At 31.12.2017, the Company's SCR was €4.309m compared with €9.289m at 31.12.2016. The movement in the SCR is largely explained by the refund of capital during 2017 and consequently lower market and counter-party risk on the Company's Own Funds.

C.1 Risk Profile

C.1.1 Underwriting risk

The Company's underwriting risk is limited to its in force portfolio. Underwriting risk in respect of mortality and longevity is largely managed through use of reinsurance on both the pensions and unit linked portfolios. Lapse risk exists on the unit linked portfolio.

C.1.2 Market risk

The Company's exposure to market risk reduced substantially following the termination of the three contracts related to Defined Benefit pension schemes. The Company remains exposed to market risk on deposit accounts and foreign exchange (FX) risk in respect of its UK pension liabilities, although this is largely mitigated through its reinsurance program.

Assets backing the unit linked portfolio are subject to market risk, including FX risk, spread risk and price risk. Market risk in respect of the Unit Linked portfolio is borne fully by the policyholders.

The SCR (Market) was €3.18m at 31.12.2017 (€7.1m at 31.12.2016).

C.1.3 Credit risk

Credit risk exists in respect of the Company's cash and reinsurance assets. The Company spreads its cash among a number of financial institutions to mitigate this risk. High levels of collateral are held in respect of its pension reinsurance program.

Credit risk in respect of the Unit Linked portfolio is borne fully by the policyholders.

As at 31.12.2017 the Company's SCR (Counter-party) was €0.558m (€2.9m at 31.12.2016) where this relates primarily to the cash deposits.

C.1.4 Liquidity risk

As the bulk of the Company's Own Funds are held in short term cash deposits, the Company has very low exposure to liquidity risk. As the Company is closed to new business and has no regular premium business, no allowance is made in respect of the expected profit on future premiums.

Liquidity risk in respect of the Unit Linked portfolio is borne fully by the policyholders.

C.1.5 Operational risk

Operational risk is mitigated through the use of Third Party Administrators who, although monitored by the Company, assume responsibility for their operations. The Company considers Operational risks in respect of adherence to its run off plan and exposure to cyber risk to be of significance.

Mitigating actions have been taken in respect of each of these risks and is reviewed on an on-going basis to ensure that the Company continues to be adequately resourced and able to implement its business plan.

The Company's SCR (Operational) was €0.795m at 31.12.2017 (€0.722m at 31.12.2016) as determined by the Standard formula.

C.1.6 Other material risks

No other material risks are considered in the SCR.

C.2 Risk Exposure

C.2.1 Measures Used to Assess Risk Exposure

Risk exposure is reviewed on a regular basis primarily by considering the top 10 risks. These are quantified and ranked according to an assessment of Impact x Probability of occurrence over a one year timeframe.

C.2.2 Material Risks

The top 10 risks are reviewed regularly and include:

- Counterparty risk in respect of reinsurers.
    - During 2017, the Company had two active reinsurance treaties covering mortality, longevity and market risk in respect of its pensions business and mortality risk in respect of its unit linked portfolio.
    - All pension reinsurance arrangements have included provision for the maintenance of high levels of collateral and for the regular assessment of the adequacy of collateral.
- Counterparty risk in respect of deposit accounts.
    - Given the high-level of shareholder funds, this has been a key risk, mitigated through careful selection of counter-parties and through spreading deposits across a range of counterparties.
- Operational risks.
    - Risks such as key man risk have been considered as part of the Company's run off.
- Delays/ changes to the Company's business plan
    - Delays in the run-off timetable will result in higher expenses incurred by the Company.
- FX risk
    - During 2017, FX risk existed on exposure to UK pension business. Apart from the UL portfolio, FX risk is largely mitigated through reinsurance.
- Mortality under-estimation in pricing of annuity contracts
    - Largely mitigated through reinsurance.
- Business continuity risks
    - Business continuity & Disaster Recovery plans are in place. No major change to this risk during 2017.
- Cyber risks.
    - The company completed its most recent IT Security Assessment Process in October 2016 highlighting possible potential security issues, misconfigurations and required software updates and patches required.

C.2.3 Investment of Assets in accordance with Prudent Person Principle

Overall responsibility for the management of the Company's exposure to risk is vested in the Board. The Company is required to apply the Prudent Person principle in respect of its investments, and has ensured that its investment policy and asset acceptability framework are aligned with this Principle, for all new asset choices.

C.3 Risk Concentration

Risk concentration exists in the form of cash deposits placed with credit institutions. As at 31.12.2017, the Company had €26.0m in deposits and €3.95m in cash and cash equivalents where these amounts in total are invested with four institutions.

Risk concentration also exists in the reinsurance of pension business, however this is mitigated by the collateral held.

C.4 Risk Mitigation

The table below shows risk mitigations in place for main risks.

Risk Category	Risk Sub Category	Mitigations
Underwriting	Longevity risk	Reinsurance of longevity risk on pensions business.
	Mortality risk	Quota share original terms reinsurance on unit linked business.
Market	Interest rate	Reinsurance of market risk on pensions business.
Counter-party	Default risk	Collateral held on pensions business equal to BEL plus a buffer.
Operational risk	Cyber risk	Migration to MS Azure completed.
	Claims management	Out-sourcing in place for UL and Pension claim payments.

C.5 Liquidity Risk

As the Company is closed to new business it does not have any exposure to amounts of expected profit included in future premiums.

C.6 Risk sensitivity

The Company's risk appetite involves projecting the Balance Sheet and SCR over a 5 year period on stress scenarios. In order to maintain its risk appetite, the company must have solvency coverage in excess of an agreed level on all projected scenarios, in each future year. These stress scenarios are considered in the ORSA.

When considering the stress scenarios, key risks are identified and stressed accordingly. In particular,

- Counter-party risk is stressed by assuming that all counter-parties are instantaneously downgraded.
- Expense risk is stressed by assuming that all base expenses increase by a defined amount.
- The interest rate stress scenarios are provided to CNP Group by economists within the Caisse Des Depots.

In addition, the Company conducts stress testing at a point in time for a number of stresses, namely considering the TPs and solvency coverage with:

- Inclusion of an expense over-runs
- SCR adjusted for capital refund
- Discount Rates + 1%
- Discount Rates -1%
- Per policy expenses x 1.5
- Counterparties downgraded by 1 notch

Under the most adverse of these scenarios, the Company's solvency coverage remains in excess of 200%.

D. Valuation for Solvency Purposes

D.1 Assets

The valuation of assets on a solvency basis is the same as for the Financial Statements with the exception of the mortality and longevity improvements underlying the valuation of the reinsurance asset in respect of the UK pension portfolio– see Section D.2 for details of this.

Asset Class	Value at 31.12.2017 €
Deposits other than cash equivalents	26,000,106
Assets held for index-linked and unit-linked funds	30,149,238
Reinsurance recoverables from:	50,868,578
Reinsurance receivables	4,464,035
Insurance & intermediaries receivables	29,321
Cash and cash equivalents	7,652,418
Other	2,458,974
Total	121,622,669

The Company classifies its financial assets as designated at fair value through profit or loss on initial recognition. The basis of this designation is that the financial assets and liabilities are managed and evaluated together on a fair value basis. The designation eliminates or significantly reduces a measurement inconsistency that would otherwise arise if these financial liabilities were not measured at fair value since the assets held to back the investment contract liabilities are also measured at fair value. The fair value of the Company's unit linked investment contract liabilities is based on the fair value of the financial assets held within the appropriate unit-linked funds.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that the Company intends to sell in the near term which the Company upon initial recognition designates as fair value through profit or loss, available for sale or where the Company may not recover substantially all of its initial investment.

Purchases of financial assets are recognised on the trade date, which is when the Company commits to purchase the assets. Financial assets are derecognised when contractual rights to receive cash flows from the investments expire, or where the investments, together with substantially all the risks and rewards of ownership have been transferred.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs in making the measurements:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

D.2 Technical provisions

Technical Provisions are shown below together with the prior year comparative, split by Best Estimate and Risk Margin:

Solvency II Liabilities	31.12.2017 Euro (000's)	31.12.2016 Euro (000's)
Best Estimate	**86,540**	**148,780**
Pensions	56,057	61,791
UL	30,483	86,989
Risk Margin	**827**	**1,050**
Pensions	536	436
UL	291	614
Technical Provisions	87,367	149,830

The decrease in technical provisions over the reporting period is largely due to surrenders on the UL portfolio together with changes in the GBP swap, inflation and FX rates, which affect the pensions portfolio.

D2.2.1 Valuation Methodology

Best Estimate

CEL uses a deterministic approach to the calculation of its Best Estimate Liabilities.

For its pensions business, CEL uses per policy model points to project the future benefits of each policy taking account of the best estimate view of the economic and demographic factors which could affect such projected benefits, for example interest rates, inflation, mortality rates, mortality improvement rates, lapses and surrenders etc. Per policy expenses are projected on a best estimate mortality basis with allowance for expense inflation. For unit linked business, CEL uses per policy model points to project the future unit and non-unit related cash-flows. In both cases, cash-flows are projected on a monthly basis.

The Best Estimate Liability (BEL) is determined for each line of business in respect of benefits by accumulating the individual policy cash-flows at each future time period and discounting these at the appropriate discount rate. A separate expense BEL is held for each line of business by projecting the per policy expenses taking account of inflation and discounting the projected amounts to the valuation date using Euro discount rates.

Pension benefits are projected at each future time period, taking account of the best estimate of inflation in each future year, and the survival rates of each policyholder. The projected amounts are discounted using the GBP discount rates to obtain the BEL.

In the case of the Unit Linked business, the unit and non-unit funds are projected taking account of future investment returns, survival and mortality rates, lapse rates and the management charges applicable. The non-unit cash-flows in respect of the projected benefit payments are discounted using the Euro discount rates as are the remaining non unit cash-flows (VIF).

The Best Estimate Liability is therefore comprised of the Unit Fund and the present value of the non-unit cash-flows. Euro and GBP cash-flows are determined separately and discounted using the respective discount rates. The Best Estimate Liability is calculated gross of any reinsurance. Where it is considered appropriate, margins for uncertainty are included.

Risk Margin
The Solvency II requirements outline a hierarchy of five approaches to the calculation ranging from full projection of all future SCRs (with no simplifications) to a very simplistic approach which approximated the risk margin by calculating it as a percentage of the BEL.

CEL's approach is to project the future SCRs by projecting the run-off of the SCR calculation in line with the run-off of the BEL (i.e. the third of the five possible approaches) net of the reinsurance asset. CEL has assumed that unavoidable market risk is nil.

CEL assumes that market risks can be hedged and so these are not included in the risk margin calculation. Credit risk for reinsurance contracts is included in the projected SCR for the risk margin calculation.

D2.2.2 Main Assumptions

Discount rates
The Euro and GBP risk free spot rates as published by EIOPA are used to build the discount rates for the Euro and GBP liabilities.
Rates are adjusted for the Credit Risk Adjustment as specified by EIOPA. The Volatility Adjustment or Matching Adjustment are not used.
Euro discount rates are used for determining the Euro related liabilities including the BEL in respect of all per policy expenses. UK discount rates are used when determining UK related liabilities, ie the BEL in respect of the pension benefits and UK related admin costs.

Credit Risk Adjustment – Discount rates
The credit risk adjustments as specified by EIOPA are applied to the Euro and GBP discount rates. As at 31.12.2017 the CRA was 10 bps for Euro and 10 bps for GBP liabilities.

Benefit Inflation
Inflation rates are derived by observing Euro and GBP break-even swap rates at 31/12/2017 at available durations and interpolating for interim durations using a spline methodology. The observed rates are 'BPSWIT CMPL Currency' break even rates at 31/12/2017.

Pension benefits are inflated at rates set out in the benefit specification using UK RPI.

Expense Inflation
Expenses are inflated using the inflation rates derived for Benefit Inflation. UK related expenses (eg TPA costs) are inflated using UK rates whilst Euro related expenses (eg per policy expenses) are inflated using Euro rates.

Investment Returns
The risk free rates, as used for the discount rates and adjusted for credit risk, are used for the growth rates on policyholder and shareholder funds.

Counterparty Default in respect of Reinsurance
Further to Article 81 of the Solvency II Directive, counterparty default risk is considered in the context of reinsurance recoverables. Article 42 of the Delegated Acts specifies that collateral may be used as a risk mitigating technique when assessing the loss given default.

In view of the collateral held, CEL does not make any deductions to reinsurance recoverables for counterparty default (see below). Deduction is however made to the projected reinsurance commission to reflect the credit risk of its pension reinsurance counterparty.

CEL holds collateral in respect of its reinsurance arrangements with its pension reinsurance counterparty. The collateral is in the form of a floating charge over a custodial account. The reinsurer may invest the collateral in accordance with the agreed investment policy. A buffer is held over and above the best estimate liability to absorb the effects of any fall in the market value of the collateral held.

Mortality – UK Pension Portfolio

Mortality rates:	% of S1PMA / S1PFA
Longevity Improvements:	Middle Cohort improvement factors from 2007 with a minimum underpin for males and females.

Mortality – Unit Linked

Unit Linked:	% of SIM92/SIF92

Lapses
A fixed % which reflects the run-off nature of this portfolio.

Annual Per Policy Expenses Assumed:
A market consistent amount is determined by business line.

D2.2.3 Level of uncertainty associated with the value of technical provisions
The Technical Provisions consist of a Best Estimate Liability and a Risk Margin.
The calculation of the Best Estimate Liability is based on a number of assumptions, some of which are more important than others. In particular, the following assumptions are noted:

- Expense assumption – due to the closed nature of the business, per policy expenses are determined on a 'market consistent' basis rather than direct attribution of all the company's costs.
- Mortality and Longevity improvement assumption on UK pensions business. Given the duration of the liabilities, the value of the BEL is sensitive to any changes in the underlying assumption. It should be noted however, that the impact on the Own Funds of the Company is limited due to the equal and offsetting effect of the Reinsurance Asset held in respect of recoverables.
- Lapse rate on UL portfolio. Due to the small size of the portfolio, volatility in lapse experience is likely to occur.
- Unit prices are calculated by the TPA and provided to the Company.

Given the nature of the Company's business and use of reinsurance, any variation in technical provisions is unlikely to have any significant impact on the Company's financial strength.

D2.2.4 Differences Relative to Financial Statements Valuation of Technical Provisions;
Differences occur for the UK pension business and for the Unit Linked business and in respect of the provision of an Expense Over-Run reserve.

The table below shows the difference for the UK pension business:

Technical Provisions **UK Pensions** (31.12.2017)	SII Euro '000s	GAAP Euro '000s
Pension claims	50,869	51,741
Expenses	5,189	5,501
CEL exp	1,171	1,237
TPA expenses	4,018	4,263
Total ex Risk Margin	**56,057**	**57,242**
Risk Margin	**536**	0
Total Technical Provisions	**56,571**	**57,242**

The difference between the Solvency and GAAP valuations can be explained by the fact that the GAAP discount rates do not include the UFR of 4.2% whereas the Solvency rates do.. When the corresponding reinsurance asset is taken into account and the net position considered, the difference is small.

The table below shows the difference between the solvency and GAAP valuations for the Unit Linked Portfolio:

Technical Provisions Unit Linked Business	SII Euro '000s	GAAP Euro '000s
Unit Reserve	30,144	30,144
Mortality cost, Expenses & VIF	339	0
Total ex Risk Margin	**30,483**	**30,144**
Risk Margin	291	0
Total Technical Provisions	**30,762**	**30,144**

Under GAAP, reserves are held on the assumption of zero lapses and on the assumption of an underpin equal to the surrender value.

Under GAAP an expense over-run reserve is held for prudence to cover the costs of closure of the business (redundancy costs, fees on portfolio transfer etc). As at 31.12.2017, this amounted to €7,021,797. The expense over-run reserve is included in GAAP accounts due to the run-off position of the company and includes the projected run off costs net of the future income. Rather than capitalising such an expense overrun indefinitely in the Best Estimate Liability calculation, the Company's approach allows the calculation of a market consistent Best Estimate Liability, with assessment of the implications of any expense overrun in its ORSA.

D2.2.5 Adjustments and Transitional Measures
No use is made of the Matching Adjustment, Volatility Adjustment or any Transitional Measures.

D2.2.6 Recoverables from reinsurance contracts

The table below shows the NPV of projected reinsurance recoverables:

Reinsurance Recoverables	31.12.2017 Euro '000s
UK Pension Recoverables	50,869
UL Recoverables	0
Total	**50,869**

Recoverables are valued using the same basis, methodology and assumptions as the Best Estimate Liability in respect of claims.

D2.2.7 Material Changes in Relevant Assumptions during Reporting Period

No material changes to report.

D.3 Other liabilities

Other Liabilities @ 31.12.2017	SII Euro '000s	GAAP Euro '000s
Provisions other than technical provisions	5,441	5,441
Deferred tax liabilities	740	0
Insurance & intermediaries payables	512	512
Reinsurance payables	17	17
Payables (trade, not insurance)	262	262
Total	**6,972**	**6,232**

Provisions other than technical provisions represent unclaimed maturities on the index linked portfolio of €2.384m and surrender claims payable on the unit linked portfolio of €3.057m . Deferred tax liability is specific to SII, whereas the remaining items are all accounting items and valued in accordance with GAAP.

D.4 Alternative methods for valuation

The company does not use any alternative methods for valuation.

E. Capital Management

E.1 Own funds

The Company aims to manage its Own Funds both cautiously and prudently in accordance with the CNP Group Watch-list. It is the Company's policy to hold all assets backing Own Funds in Euro and to consider the duration of the capital requirement which they are backing when selecting appropriate assets. The Company conducts its business plan over a 5 year time horizon. This is nevertheless set in the context of the run-off position of the Company.

All Own Funds are Tier 1.

The Own Funds decreased in the Reporting Period by €3.066m largely as a result of the operating loss (€2.8m) with the balance due to the decrease in UL VIF, (variance of -€673k relative to the prior year) as a result of the high level of surrenders in 2017 and a change in UL lapse assumptions, offset by a decrease in the Risk Margin (€256k) and an increase in pensions VIF of €111k.

The Break-Down of Own Funds at 31.12.2017 is shown below:

Own Funds	31.12.2016 Euro
Called up share capital	3,809,314
Capital contribution	0
Reconciliation Reserve	23,474,6616
Eligible Own Funds	**27,283,930**

As at 31.12.2017, the Eligible amount of funds to cover the SCR was €27,313,002.

The Equity shown in the company's financial statements (GAAP Equity) is broken down as follows:

Capital and reserve	**Euro 000s**
Called up share capital	3,809
Capital contribution	0
Profit and loss account brought forward	21,202
Profit and loss account for the financial year	(2,906)
Shareholders' funds	22,105

The table below shows a bridge between the shareholders equity under GAAP and the excess of assets over liabilities as calculated for solvency purposes:

Reconciliation From GAAP Equity to SII NAV 31.12.2017	Euro '000s	Balance Euro '000s
GAAP Equity		22,105
Plus Expense Over-run Reserve	7,022	29,127
Less SII Risk Margin	-794	28,333
Less Release of prudence in GAAP	-276	28,057
Less Deferred Tax under SII	-744	27,313
SII A-L		27,313

The expense over-run reserve is included in GAAP accounts due to the run-off position of the company and includes the projected run off costs net of the future income. Rather than capitalising such an expense overrun indefinitely in the Best Estimate Liability calculation, the Company's approach allows the calculation of a market consistent Best Estimate Liability, with assessment of the implications of any expense overrun in its ORSA.

The GAAP results include some prudence in the calculation of technical provisions relative to Solvency II basis, principally in the:

- Assumption of a minimum surrender value in the GAAP UL valuation.
- Discount rates where the GAAP valuation does not use the UFR of 4.2%.
- The mortality assumption used in calculating the pension liabilities and corresponding reinsurance asset. (Note: when these two items are taken together and the net position considered there is very little difference).

No basic own funds are subject to transitional arrangements.

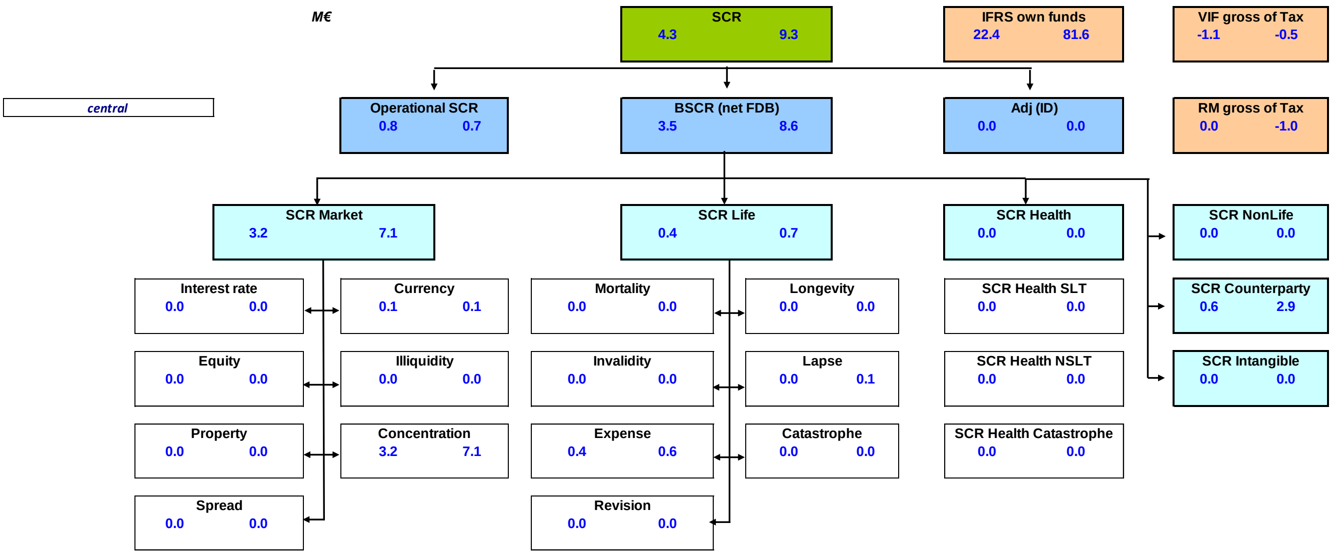
The Company does not hold any Ancillary Own Funds.

Deduction from Own Funds:
Article 70 1(b) of the Delegated Act states the Reconciliation Reserve should include allowance for "foreseeable dividends, distributions and charges." Subject to the approval of the CBI, the Company intends making a distribution of €48.7m in 2017. Consequently, this amount is included in the Reconciliation Reserve, thus reducing the amount of Eligible Own Funds.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

At 31.12.2017, the SCR of the Company was €4.309m and the MCR was €3.70m (31.12.2016 €9.289m and €3.70m respectively).

The standard formula is used to calculate the SCR. The following diagram splits the SCR into risk modules where figures in the left hand side of each box are at 31.12.2017 and the equivalent values at 31.12.2016 are shown in the right hand side:



As can be seen the SCR at 31.12.2017 was €4.309m compared with €9.289m at 31.12.2016. The reduction in the SCR can be largely explained by the capital refund of €48.7m resulting in less counter-party and concentration risk. The final amount of the Solvency Capital Requirement is subject to supervisory assessment.

Simplified calculations are not used in calculating the SCR. No USPs are used. The Company is not subject to any Capital Add-Ons. The Company does not use an internal model.

In respect of the MCR, the minimum amount of €3.7m applies.

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

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

E.4 Differences 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 the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

The Company complied with all requirements in respect of meeting its MCR and SCR during the reporting period.

E.6 Any other information

The Company has no other material information to report.

Appendix 1: Annual Quantitative Reporting Templates:

S.02.01.02

Balance sheet

Assets		Solvency II value
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	26.000
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	
Government Bonds	R0140	
Corporate Bonds	R0150	
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	
Derivatives	R0190	
Deposits other than cash equivalents	R0200	26.000
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	30.149
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	50.869
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	50.869
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	50.869
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	29
Reinsurance receivables	R0370	4.464
Receivables (trade, not insurance)	R0380	
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	7.652
Any other assets, not elsewhere shown	R0420	2.460
Total assets	R0500	121.623
Liabilities		
Technical provisions - non-life	R0510	
Technical provisions - non-life (excluding health)	R0520	
TP calculated as a whole	R0530	
Best Estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	
TP calculated as a whole	R0570	
Best Estimate	R0580	
Risk margin	R0590	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	56.571
Technical provisions - health (similar to life)	R0610	
TP calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	56.593
TP calculated as a whole	R0660	
Best Estimate	R0670	56.057
Risk margin	R0680	536
Technical provisions - index-linked and unit-linked	R0690	30.774
TP calculated as a whole	R0700	
Best Estimate	R0710	30.483
Risk margin	R0720	291
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	5.441
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	740
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	512
Reinsurance payables	R0830	17
Payables (trade, not insurance)	R0840	262
Subordinated liabilities	R0850	
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	94.339
Excess of assets over liabilities	R1000	27.284

S.05.01.02 - 02

Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410									
Reinsurers' share	R1420			8						8
Net	R1500			-8						-8
Premiums earned										
Gross	R1510									0
Reinsurers' share	R1520			8						8
Net	R1600			-8						-8
Claims incurred										
Gross	R1610			59.205	2.657					61.862
Reinsurers' share	R1620			1	2.657					2.658
Net	R1700			59.204	0					59.204
Changes in other technical provisions										
Gross	R1710			57.316	21.340					78.655
Reinsurers' share	R1720				20.979					20.979
Net	R1800			57.316	361					57.676
Expenses incurred	R1900			2.172	1.434					3.606
Other expenses	R2500									
Total expenses	R2600									3.606

S.05.02.01 - 01

Premiums, claims and expenses by line of business

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations	Top 5 countries (by amount of gross premiums written) - non-life obligations	Total Top 5 and home country
		C0010	C0030	C0040	C0070
	R0010	IE	GB	IT	
		C0080	C0100	C0110	C0140
Premiums written					
Gross - Direct Business	R0110				
Gross - Proportional reinsurance accepted	R0120				
Gross - Non-proportional reinsurance accepted	R0130				
Reinsurers' share	R0140			8	8
Net	R0200	0	0	-8	-8
Premiums earned					
Gross - Direct Business	R0210				
Gross - Proportional reinsurance accepted	R0220				
Gross - Non-proportional reinsurance accepted	R0230				
Reinsurers' share	R0240			8	8
Net	R0300	0	0	-8	-8
Claims incurred					
Gross - Direct Business	R0310		2.657	59.205	61.862
Gross - Proportional reinsurance accepted	R0320				
Gross - Non-proportional reinsurance accepted	R0330				
Reinsurers' share	R0340		2.657	1	2.658
Net	R0400	0	0	59.204	59.204
Changes in other technical provisions					
Gross - Direct Business	R0410	78.655			78.655
Gross - Proportional reinsurance accepted	R0420				
Gross - Non- proportional reinsurance accepted	R0430				
Reinsurers'share	R0440	20.979			20.979
Net	R0500	57.676	0	0	57.676
Expenses incurred	R0550	3.606			3.606
Other expenses	R1200				
Total expenses	R1300				3.606

S.12.01.02 - 01

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	**Total (Life other than health insurance, incl. Unit-Linked)**
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
Technical provisions calculated as a whole	R0010										
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020										
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	R0030			30.483				56.057			86.540
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080							50.869			50.869
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090			30.483				5.188			35.671
Risk Margin	R0100		291			536					827
Amount of the transitional on Technical Provisions											
Technical Provisions calculated as a whole	R0110										
Best estimate	R0120										
Risk margin	R0130										
Technical provisions - total	R0200		30.774			56.593					87.367

S.23.01.01 - 01

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	3.809	3.809			
Share premium account related to ordinary share capital	R0030					
Iinitial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	23.475	23.475			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	27.284	27.284			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	27.284	27.284			
Total available own funds to meet the MCR	R0510	27.284	27.284			
Total eligible own funds to meet the SCR	R0540	27.284	27.284	0	0	0
Total eligible own funds to meet the MCR	R0550	27.284	27.284	0	0	
SCR	R0580	4.310				
MCR	R0600	3.700				
Ratio of Eligible own funds to SCR	R0620	633%				
Ratio of Eligible own funds to MCR	R0640	737%				

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Own funds

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	27.284
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	3.809
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	23.475
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 undertakings on Standard Formula)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	3.178		
Counterparty default risk	R0020	558		
Life underwriting risk	R0030	454	Aucun	
Health underwriting risk	R0040		Aucun	
Non-life underwriting risk	R0050		Aucun	
Diversification	R0060	-676		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	3.515		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	795
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	4.310
Capital add-on already set	R0210	
Solvency capital requirement	R0220	4.310
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

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

MCRNL Result	R0010	

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080		
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	322

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230	30.483	
Other life (re)insurance and health (re)insurance obligations	R0240	5.188	
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation

		C0070
Linear MCR	R0300	322
SCR	R0310	4.310
MCR cap	R0320	1.939
MCR floor	R0330	1.077
Combined MCR	R0340	1.077
Absolute floor of the MCR	R0350	3.700

		C0070
Minimum Capital Requirement	R0400	3.700