

RGA International

Reinsurance Company dac

Solvency and Financial Condition

Report (SFCR)

31 December 2023

The RGA logo consists of the letters "RGA" in a bold, red, sans-serif font. The letters are contained within a white square that has rounded corners on the top-left and bottom-right sides. The logo is positioned in the bottom-left corner of the page, which features a background of a red brick wall and a blue glass window frame.

RGA

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Executive Summary

Company ownership

RGA International Reinsurance Company dac (“the Company”) is a wholly owned subsidiary of RGA Americas Investments LLC (“RAIL”), a limited liability company organised under the laws of Missouri, United States of America. The Company’s ultimate parent company is Reinsurance Group of America, Incorporated, whose corporate headquarters is in St. Louis, Missouri and is listed on the New York Stock Exchange (NYSE: RGA).

Authorisation and lines of business

The Company is authorised by the Central Bank of Ireland to carry out life and non-life reinsurance. The Company operates two Third Country branches, in the United Kingdom and Singapore. The UK Branch is authorised by the Prudential Regulation Authority and the Singapore Branch is authorised by the Monetary Authority of Singapore; both branches are authorised to carry reinsurance activities. The UK Branch is also subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. The Company predominantly writes business in the European Union, the European Economic Area, the U.K., Singapore and other parts of Southeast Asia.

The Company reinsures life products primarily covering mortality risk, morbidity risk, longevity risk, and all related riders. In addition, reinsurance is offered for accidental death and dismemberment, disability, total permanent disability, and critical illness coverages. Additional solutions include customised non-traditional reinsurance to meet the specific needs of clients.

The geographical dispersion of the material lines of business are shown in section A.1.5 of this report.

2023 Company performance

The gross earned premium in 2023 was €1,340.5million (2022: €1,286.9million). As part of the Company’s capital and risk management strategy a significant amount of risk is ceded to other group companies. The net retained earned premium decreased by 51% from €216.1million to €105million. This was primarily a result of increased retrocession premiums payable due to the increases in the market value of investment assets and restructuring of some retrocession treaties.

The Company generated a profit before tax of €32.1million (2022: €53.1million).

The Company is rated AA- stable by Standard and Poor’s.

Governance

The Company is subject to and complies with the Corporate Governance Requirements for Insurance Undertakings 2015 issued by the Central Bank of Ireland. The Company is overseen by its Board of Directors who have established three committees of the Board (Audit; Risk Management and Compliance; and Investment) to oversee the operations of the Company. In addition, the Board has established a risk management system and an internal control framework that it considers to be appropriate given the nature and scale of the business. Full details of the Company's governance procedures; how it identifies and controls risk; including the Company's audit processes, are included in Section B of this report.

Risk profile

The Company's risk profile is discussed in detail in Section C of this report. The most significant risks that the Company faces are predominantly insurance and market risks. These risks account for 47% (2022: 49%) and 44% (2022: 43%) of the Company's solvency capital requirement respectively. The Company has a prudent investment philosophy concentrating its investment into fixed income securities and employs a strategy of diversifying single name counterparties and asset liability matching to manage the market risks that it faces.

Regulatory v Financial Statement balance sheets

The main differences between the valuation of assets and liabilities in the Regulatory (Central Bank return) and Financial Statement balance sheets are:

1. Deferred acquisition costs (excluded from the regulatory balance sheet);
2. The method employed to calculate the technical provisions.

The valuation of each asset and liability class are explained in detail in section D.

The Company's eligible own funds as per the regulatory balance sheet at 31 December 2023, were €1,159million (2022: €1,140.1million) as opposed to the Shareholder's Funds in the Financial Statements of €651.1million (2022: €409.8million). A full reconciliation is included in section E.1.3.

Solvency

The Solvency Capital Requirement (SCR) reflects the level of eligible own funds that the Company is required to hold to absorb significant losses and that gives reasonable assurance to treaty participants and beneficiaries that payments will be made as they fall due.

The solvency ratio as at the 31 December was as follows:

	2023	2022
Solvency Ratio	€'M	€'M
Eligible Own funds	1,159.0	1,140.1
Solvency Capital Requirement (SCR)	609.1	591.1
Solvency Ratio	190%	193%

The Minimum Capital Requirement (MCR) is the minimum level of eligible own funds that the Company is required to hold.

The minimum solvency ratio as at 31 December was as follows:

	2023	2022
Minimum Solvency Ratio	€'M	€'M
Eligible Own funds	1,059.0	1,040.1
Minimum Capital Requirement (MCR)	154.9	147.8
Minimum Solvency Ratio	683%	704%

The Company has maintained compliance with all the solvency requirements throughout the year.

Board Approval

This report was approved for publication by the Board of Directors on 5 April 2024.



William Briffaut
Managing Director



Emer Daly
Director

A – Business and Performance

A.1 Business and External Environment

A.1.1 Legal Status

RGA International Reinsurance Company dac (“the Company”) was incorporated in Ireland on 24 June 2003 and has established branch offices in the U.K., France, Spain, Italy, the Netherlands, Germany, Poland and Singapore.

The Company’s registration details:

- Companies House registration number: 372722

- Registered address:

RGA International Reinsurance Company dac
3rd Floor, Block C
Central Park
Leopardstown
Dublin
D18 X5T1

The Company is authorised and regulated by the Central Bank of Ireland to carry out life and non-life reinsurance in accordance with the Insurance Acts, as defined in the European Union (Insurance and Reinsurance) Regulations 2015, SI. 485 of 2015, and applicable European Commission Delegated Regulations and Implementing Regulations as designated enactments in section 2(2A) of the Central Bank Act 1942.

- Principal Office:
Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1

The Company’s third country branch in Singapore is also authorised and regulated by the Monetary Authority of Singapore to carry on reinsurance activities in Singapore.

The Company operates a third country branch in the United Kingdom and is authorised and regulated by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority to carry on reinsurance activities in the UK. Details of the extent of the Company’s regulation by the Prudential Regulation Authority are available from us on request.

A.1.2 Ownership

RGA International Reinsurance Company dac (“the Company”) is a wholly owned subsidiary of RGA Americas Investments LLC (RAIL), a limited liability company organised under the laws of Missouri, United States of America. The Company’s ultimate parent company is Reinsurance Group of America, Incorporated, whose corporate headquarters is in St. Louis, Missouri and is listed on the New York Stock Exchange (NYSE: RGA).

A.1.3 External Auditors

The independent external auditors of the Company are:

Deloitte Ireland LLP
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
D02 AY28

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, will resign by mandatory firm rotation during the year. Mazars, following a selection process have indicated their willingness to accept the appointment as the Company's independent external auditors in accordance with Section 384(1) of the Companies Act, 2014.

Mazars
3 Harcourt Centre
2 Harcourt Road
Saint Kevin's
Dublin 2
D02 A339

A.1.4 Related Parties

Share Capital

The Company has issued €0.9million of ordinary share capital to its sole Shareholder RGA Americas Investments LLC.

The share capital is fully paid.

The Company did not issue additional ordinary share capital during the year.

Share Premium

The Company has Share Premium of €105.5million from RGA Americas Investments LLC.

The Company did not issue additional share premium during the year.

Capital Contributions

RGA Group has made capital contributions to the Company of €241.3million. The Company has no obligation to repay the contributions. The Company did not receive any additional capital contributions during the year.

Sub-ordinated loan note

The Company has a €116million (2022: €116million) perpetual sub-ordinated loans from RGA Americas Reinsurance Company Ltd. The original loan of €90million was received in October 2015 and this was further increased by €26million in June 2020. The Company pays interest on this debt at the Euribor rate plus one and a half percentage points. Subordinated Loan Agreements are in place in accordance with Solvency II requirements and approved by the Central Bank of Ireland.

Ancillary Own Funds

RGA Americas Reinsurance Company, Ltd. (RGA Americas) has committed to providing a further €100m in perpetual subordinated loans to the Company via a Loan Facility Agreement signed in December 2022. The inclusion of any undrawn amount within this facility as Tier 2 Ancillary Own Funds in the regulatory balance sheet was approved by the Central Bank of Ireland. Upon drawdown by the Company of any or all the committed amount, RGA Americas will provide subordinated debt that would then qualify as Tier 1 Basic Own Funds. While undrawn, the Tier 2 Ancillary Own Funds can only be used to cover the SCR and are not eligible to cover the MCR. The Company pays a fee to RGA Americas for the AOF facility. In the future, if the AOF are drawn down the Company will pay interest on the drawn down subordinated loan.

Retrocession

As part of its risk management mitigation the Company retrocedes a sizable portion of its business to RGA Group companies.

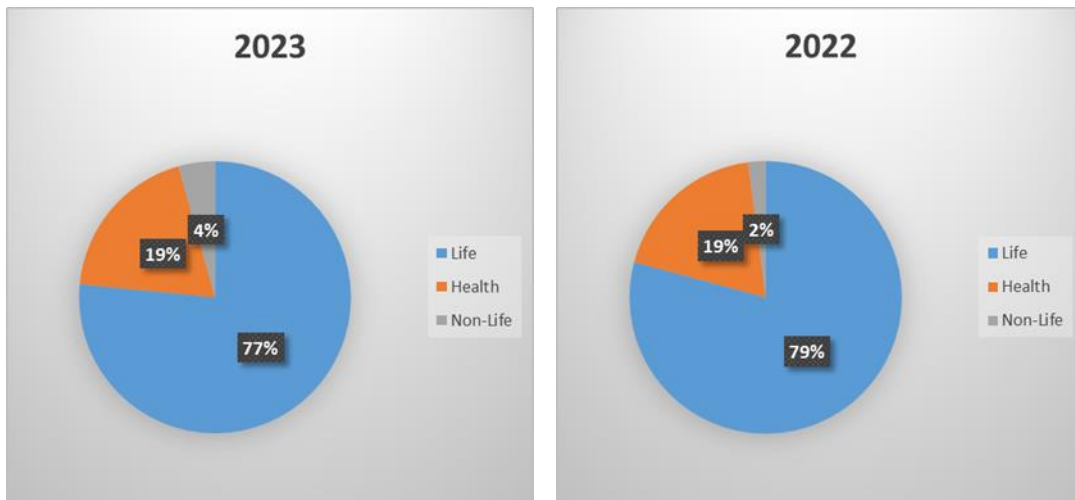
Administrative Services

RGA Inc. and its subsidiaries (“the Group”) avail of several shared services and outsourcing arrangements. Charges for these services are calculated on cost plus basis, with the mark-ups being consistent with both local tax guidelines and the OECD’s Base Erosion and Profit Shifting (BEPS) recommendations.

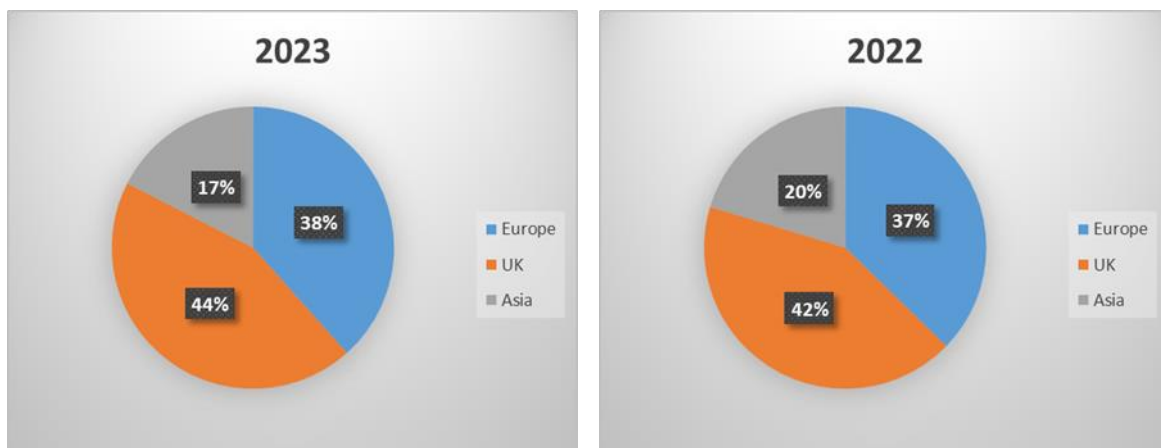
A.1.5 Material Lines of Business

The Company reinsures life products primarily covering mortality risk, morbidity risk, annuity risk, and all related riders. In addition, reinsurance is offered for accidental death and dismemberment, disability income, total permanent disability, and critical illness coverages. Additional solutions include customised non-traditional reinsurance to meet the specific needs of clients.

The gross earned premium in 2023 was €1,340.5million (2022: €1,286.9). The growth of the company was 4%.



The geographical premium split was as follows:



A.1.7 Sustainability in the Company's operating practices

The Company is leveraging RGA Group developments in respect of Sustainability matters, including community engagement, environmental sustainability of operations, the role of Sustainability considerations in investment decisions as well as diversity, equity and inclusion programs. The RGA Group issued an Sustainability Report on 23 August 2022, taking an in-depth look at ethical governance and business practices in 2022.

A.1.8 Subsequent Events:

There have been no events subsequent to the balance sheet date.

A.2 Underwriting Performance

The Company prepares its Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102).

The Company's technical results presented in those Financial Statements are summarised as follows:

	Section	2023 €'M	2022 €'M
Gross Premium Earned		1,340.5	1,286.9
Gross Benefits (Claims incurred & reserve movement)		(1,246.6)	(1,249.8)
Experience Refunds		(20.5)	(6.3)
Investment Returns from Dedicated Asset Intensive Portfolios	A.3	87.3	58.6
Gross Underwriting Profit	A.2.1	160.7	89.4
Investment Returns from Other Investments	A.3	19.8	24.8
Other Income	A.4.1	2.9	8.2
Reinsurance Arrangements	A.4.3	(80.6)	14.7
Operating Expenses	A.4.2	(71.6)	(84.0)
Profit before Tax		31.2	53.1

The increase in the Company's profit before tax is explained in sections A.2 to A.5.

A.2.1 Underwriting Performance

The gross underwriting profit by line of business was as follows:

2023	Life €'M	Health €'M	Non-Life €'M	Total €'M
Gross Premiums Earned	1,026.0	256.2	58.3	1,340.5
Gross benefits	(1,107.9)	(149.6)	10.9	(1,246.6)
Experience refund	(9.4)	(8.9)	(2.2)	(20.5)
Investment Returns from asset intensive portfolios	87.3	-	-	87.3
Gross Underwriting Profit	(4.0)	97.7	67.0	160.7
2022	Life €'M	Health €'M	Non-Life €'M	Total €'M
Gross Premiums Earned	976.7	265.1	45.1	1,286.9
Gross benefits	(1,054.5)	(187.2)	(8.1)	(1,249.8)
Experience refund	(2.8)	(2.2)	(1.3)	(6.3)
Investment Returns from asset intensive portfolios	58.6	-	-	58.6
Gross Underwriting Profit	(22.0)	75.7	35.7	89.4

The gross underwriting profit by geographical area is analysed as follows:

2023	Continent al Europe €'M	UK €'M	Asia €'M	Total €'M
Gross Premiums Earned	515.0	591.3	234.2	1,340.5
Gross benefits	(377.6)	(685.5)	(183.5)	(1,246.6)
Experience refund	(17.8)	-	(2.7)	(20.5)
Investment Returns from asset intensive portfolios	-	87.3	-	87.3
Gross Underwriting Profit	119.6	(6.9)	48.0	160.7
2022	Continent al Europe €'M	UK €'M	Asia €'M	Total €'M
Gross Premiums Earned	480.0	545.3	261.6	1,286.9
Gross benefits	(380.3)	(594.6)	(274.9)	(1,249.8)
Experience refund	(5.0)	-	(1.3)	(6.3)
Investment Returns from asset intensive portfolios	-	58.6	-	58.6
Gross Underwriting Profit	94.7	9.3	(14.6)	89.4

The gross earned premium in 2023 was €1,340.5million (2022: €1,286.9million). The growth of the Company was 4%. The growth by Geographical region was: Europe 7%; UK 8% and reduction in Asia 10%.

Following Brexit, the Company moved the Irish business reporting out of UK to Ireland in 2021.

The life reinsurance business includes asset intensive business written in the United Kingdom. These transactions, which provide reinsurance for closed books of annuities in payment, have dedicated portfolios of assets invested to generate cash flows to meet the annuity payments when due. The investment income and realised gains from these portfolios was €87.3million (2022: €58.6million). This investment return has been included as part of the gross underwriting profit to give a more accurate reflection of the actual performance.

The gross underwriting profit was €160.7million (2022 profit: €89.4million). There was a gross underwriting loss in the UK of €6.9million driven by updates on mortality assumptions. On 30th June 2023, the Company acquired by way of reinsurance, a UK block of annuities in payment and received portfolio of assets of €547.6million.

A.3 Investment Performance

The Investment return is comprised of the followings:

	2023	2022
	€'M	€'M
Investment Return from Asset Intensive Porfolios	87.3	58.6
Investment Return from Other Investment Portfolios	19.8	24.8
	<u>107.1</u>	<u>83.4</u>

The Investment Return for the Company was as follows:

2023	Fixed income securities	Short term investments	Other investments	Total
	€'M	€'M	€'M	€'M
Interest receivable	149.3	0.3	5.4	155.0
Net amortised discounts and premiums	(10.1)	0.8	0.1	(9.2)
Investment expenses	(6.1)	-	-	(6.1)
Investment Income	<u>133.1</u>	<u>1.1</u>	<u>5.5</u>	<u>139.7</u>
Realised losses	(33.3)	1.0	(0.3)	(32.6)
	<u>99.8</u>	<u>2.1</u>	<u>5.2</u>	<u>107.1</u>
2022	Fixed income securities	Short term investments	Other investments	Total
	€'M	€'M	€'M	€'M
Interest receivable	129.8	0.4	4.9	135.1
Net amortised discounts and premiums	(19.6)	(0.1)	-	(19.6)
Investment expenses	(5.8)	-	(0.0)	(5.9)
Investment Income	<u>104.3</u>	<u>0.3</u>	<u>4.9</u>	<u>109.5</u>
Realised losses	(26.1)	(0.0)	(0.0)	(26.2)
	<u>78.2</u>	<u>0.3</u>	<u>4.9</u>	<u>83.4</u>

Investment income is recognised as it accrues or is contractually due. Realised gains and losses on sales of investments are recognised as revenue net of any permanent impairments that have been incurred in the period. There were no permanent impairments during the year.

The total income generated from investments, including realised gains and losses, was €107.1million (2022: €83.4million). The Company, to support its operations, collects cash flows from both coupon interest payments and the sale of financial assets. Therefore, in accordance with IAS 39 the Company measures these assets at fair value through other comprehensive income. These assets are classified as assets available for sale.

During the year, the Company recognised €217.3million in pre-tax unrealised gains (2022: losses €1,053million) as fair value through Other Comprehensive Income. This gain was mainly driven by the market value of the Company's investments due to a change in long-term interest rates and credit spreads. This was partially offset by changes in unrealised deferred tax and the change in accumulated currency transaction adjustments.

A.4 Performance of other activities

A.4.1 Non-Underwriting income

The Company's non-underwriting income comprised of the following:

	2023	2022
	€'M	€'M
Financial Reinsurance Fees	4.9	5.5
Foreign Exchange Loss / Gain	(2.0)	2.7
	<u>2.9</u>	<u>8.2</u>

The Company has a small number of financial reinsurance contracts. Such contracts provide financial relief for clients and the transfer of "significant" insurance risk is small. The Company receives a fee which is included in other income.

A.4.2 Expenses

The Company's operating expenses comprised the following:

	2023	2022
	€'M	€'M
Acquisition costs	105.4	94.5
Change in deferred acquisition costs	(49.7)	(41.4)
Administration expenses	51.8	48.2
Interest Expense on LT Borrowing	5.4	1.0
Gross operating expenses	<u>112.9</u>	<u>102.3</u>
Reinsurance commissions and profit participation	(41.3)	(18.3)
Net operating expenses	<u><u>71.6</u></u>	<u><u>84.0</u></u>

The level of incurred acquisition costs and administration expenses has increased in line with growth of the business. Interest Expense on Long Term Borrowing has increased due to Subordinated Loan Interest rate increase.

A.4.3 Reinsurance Arrangements

The Company seeks to protect itself from large individual risks and large concentrations of risk. It does this through a retrocession programme, retroceding large elements of its business to other companies within the RGA Group and to external retrocessionaires.

These arrangements consist of both quota share and stop loss treaties.

There was a restructure of some internal retrocession arrangements in 2023 but this had no impact on the cover provided.

The net effect of the arrangements was to decrease the Company's profit before tax by €80.6million (2022: €14.7million increase to the Company's profit before tax). This is a result of the increase in business growth that the Company achieved during the year.

A.5 Any other information

A.5.1 Transition to LDTI

In accordance with FRS 103, the Company has considered the accounting policies it applies for insurance contracts. In some areas where FRS 103 remains silent, the Company has chosen the most reliable and relevant accounting guidance available, which it considers to be US generally accepted accounting principles ("US GAAP"). Long Duration Targeted Improvements (LDTI) were implemented to US GAAP from 1 January 2023 which the Company has adopted as its accounting policy as a permitted change in accounting policy under FRS 103. LDTI was implemented using modified retrospective adoption on long duration contracts.

The impact on the Company's equity of the change in accounting policies at 1 January 2022 and 31 December 2022 was:

	At 1 January 2022	At 31 December 2022
Equity as reported under previous FRS 102	870.2	85.1
Adjustments to Equity on transition to FRS 102 LDTI		
Fair Value Reserve Assets	0.6	1.8
Fair Value Reserve Liabilities	(214.7)	376.3
Foreign Currency Translation	(46.0)	(43.5)
Profit & Loss	(22.9)	(9.9)
Equity reported under FRS 102 LDTI	587.2	409.8

Under old GAAP, the original discount rate was used to calculate the present value of liabilities. There was no remeasurement / revaluation of the liabilities to reflect changes in market yields. Assets were revalued at each balance sheet date to reflect current market (fair) value.

Under LDTI, both the technical liabilities and assets are revalued at each balance sheet date. The rate to discount the technical assets (as opposed to investment assets) and technical liabilities will be based on the yield from a Corporate "A" rated bond yield. Differences arising from original discounts rate and rate at the current balance sheet date will be recorded in the fair value reserve.

The revaluation of the technical assets and liabilities based on a current market discount rate will lead to less volatility of the shareholder's funds.

The adoption of LDTI impacted the Company's previously reported balance sheet as of December 31, 2022 as follows:

2022	As Previously Reported	Adoption of LDTI	As Adjusted
	€'M	€'M	€'M
Assets			
Deferred Acquisition Costs	63.4	43.1	106.5
Deferred tax assets	159.6	9.9	169.5
Property, plant & equipment held for own use	2.6	-	2.6
Investments	3,503.3	-	3,503.3
Reinsurance recoverables	2,185.5	(169.7)	2,015.8
Deposits to cedants	190.2	-	190.2
Insurance and intermediaries receivables	488.2	-	488.2
Reinsurance receivables	44.0	-	44.0
Receivables (trade, not insurance)	69.5	0.1	69.6
Cash and cash equivalents	62.2	-	62.2
	6,768.5	(116.6)	6,651.9
Liabilities			
Technical provisions	5,943.7	(554.0)	5,389.7
Deferred tax liabilities	1.3	113	114.0
Insurance & intermediaries payables	27.2	-	27.2
Reinsurance payables	570.2	(0.1)	570.2
Payables (trade, not insurance)	25.0	-	25.0
Subordinated liabilities	116.0	-	116.0
	6,683.4	(441.4)	6,242.1
Excess of Assets over Liabilities (Shareholder's funds)	85.1	324.7	409.8

A.5.2 Turkish Earthquake

An earthquake with a 7.8 magnitude struck eastern Turkey in the early hours on February 6, 2023. The current death toll in Turkey is estimated to be in excess of 40,000, plus more than 100,000 were injured. Although the Company does not currently expect a material financial impact due to the earthquake it continues to monitor the situation.

B – System of Governance

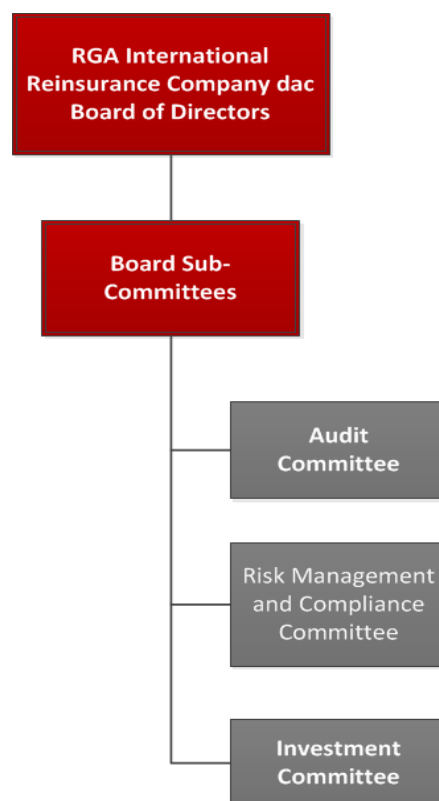
B.1 General information of the system of governance

B.1.1 Role and responsibilities

The principal activity of the Company is the transaction of life and health reinsurance which includes longevity and annuity business. The Board of Directors (“the Board”) is responsible for the strategy and performance of the Company and for ensuring that an effective system of governance is in place to provide for sound and prudent management of the business. The Company has developed a well-defined governance framework giving due regard to the nature, size and complexity of the business.

Overview of the Board and sub-committees

The Board has ultimate responsibility for corporate governance reporting to the ultimate parent, RGA Inc. The Board is chaired by a Group Director and has two Independent Non-Executive Directors, one Non-Executive Director, two Group Non-Executive Directors and one Executive Director. The Board has established three sub-committees which are accountable to the Board.



It is the Board's responsibility to:

- Determine the Company strategy and approve the annual business plan.
- Assess regulatory and other risks faced by the Company and take appropriate action to lessen or mitigate those risks, including establishing effective systems of internal controls, risk management and compliance.
- Ensure the solvency requirements are maintained for the Company and its regulated branches.
- Ensure the Company and its branches are run in an effective and efficient manner.
- Establish appropriate policies of the Company and ensure the Company is managed in a sound and prudent manner in accordance with those policies.
- Delegate authority responsibly to Board committees and senior managers which in no way discharges the Board from its duties and responsibilities. To this end the Board is responsible to report to the Company's Shareholder and regulators.
- Guide and support senior managers in the performance of the functions.
- Oversee the activities of all branches .

Audit Committee

During 2023 the Committee consists of a majority of independent Non-Executive Directors, and one Group Non-Executive Director. Other Non-Executive Directors, Executive Directors and senior management attend the Committee by invitation. The attendees of the Committee, on a combined basis, have extensive actuarial, life insurance, finance, audit, risk management, investment, regulatory, compliance and operations experience.

The Committee meets at least four times a year at appropriate times in the financial reporting and audit cycle and otherwise as required. The chair of the Committee is an independent Non-Executive Director and reports at each Board meeting on the activities of the Committee.

The responsibilities of the Audit Committee are to:

- Provide an avenue for communication among the Committee, the external auditors, the internal auditors, management and the Board.
- Oversee the Company's accounting and financial reporting processes and the integrity of its financial statements.
- Oversee the audits of the Company's Financial Statements.
- Oversee the adequacy of the Company's internal controls over financial reporting.
- Oversee the Company's compliance with legal and regulatory requirements.
- Oversee the qualifications and independence of the Company's External Auditor, in respect of which the Committee shall have direct responsibility for the oversight of the work of the Company's External Auditor.
- Select new External Auditor for proposal to the Board.
- Approve the Internal Audit Charter and rolling Audit Plan annually.
- Oversee the performance and effectiveness of the Company's finance function, internal audit function and External Auditor.
- Identify risks with respect to financial reporting.
- Review the actuarial function and its performance.
- Review and monitor management's response to any findings and recommendations of the Head of Actuarial Function and the Actuarial Peer reviewer.

- Oversee sound business practices within the Company.
- Ensure it understands the Company's structure, controls and types of transactions to adequately carry out its duties.
- Provide reasonable assurance to the Board that financial disclosures made by management fairly present the Company's financial condition, results, plans and long-term commitments.
- Monitor and review the Company policies delegated to the Committee.

Risk Management and Compliance Committee

For the first quarter of 2023 the Committee consisted of two independent Non-Executive Directors, one Non-Executive Director, one Group Non-Executive Directors and one Executive Director. For the remainder of 2023 the Committee consists of three independent Non-Executive Directors, one Group Non-Executive Director, and one Executive Director. The Chief Risk Officer, the Compliance Officer, the Data Protection Officer and other Senior Executives attend the Committee by invitation. The attendees of the Committee on a combined basis have extensive actuarial, life insurance, finance, audit, risk management, investment, regulatory, compliance and operations experience.

The Committee meets at least four times a year. The chairperson of the Committee is a Non-Executive Director and reports at each Board meeting on the activities of the Committee.

The responsibilities of the Risk Management and Compliance Committee are to:

- Provide reasonable assurance that material risks to the Company are being identified, assessed and managed appropriately and in accordance with the Company's risk appetite and culture; that controls are in place to safeguard assets; and that relevant laws, regulations and statutory obligations are complied with.
- Ensure oversight and advise the Board on the current and planned risk exposures of the Company and future risk management strategy.
- Promote the overall effectiveness of corporate governance.
- Make enquiries of management and satisfy itself that sufficient and appropriate information is being presented to it for the Committee to fulfil its role in assessing the Company's system of risk management and compliance.
- Monitor the effectiveness of the risk management and compliance functions, frameworks, and systems with respect to the identification, assessment, mitigation, quantification and reporting of all risks.
- To oversee the audit and risk management committees in Singapore and the UK.
- Manage the "Own Risk and Solvency Assessment" on behalf of the Board and to assess its adequacy.
- To review and assess management of outsourcing risk.
- Select, monitor, and review the implementation of the Company's risk appetite and culture through the Company policies delegated to the Committee.

Regularly review the status of compliance with obligations in all countries in which the Company operates.

Investment Committee

There was movement in committee membership during 2023, but for the majority of the year the Committee consists of three independent Non-Executive Directors and one Executive Director, Group Non-Executive Directors ranged from one to three during the course of the year, with three in situ at the end of the year. Executive and Group Non-Executive Directors and senior management attend the Committee by invitation. The attendees of the Committee on a combined basis have extensive actuarial, life insurance, finance, audit, risk management, investment, regulatory, compliance and operations experience.

The Committee meets at least four times a year. The chairperson of the Committee is an independent Non-Executive Director and reports at each Board meeting on the activities of the Committee.

The responsibilities of the Investment Committee are to:

- Select, monitor, and review the implementation of the Company's investment strategy and investment limits through the Company policies delegated to the Committee.
- Monitor and ensure the assets of the Company are properly managed in all jurisdictions in which the Company operates
- Review and evaluate the effectiveness and suitability of the Investment Managers, both in terms of considering the incumbent managers and the selection of replacement managers, with recommendations for actions, to the Board and the Shareholder.
- Monitor the engagement of Investment Managers, including dealing with appointment, remuneration, terms of engagement, monitoring and evaluating the Investment Manager's objectivity, effectiveness, and performance.
- Review and evaluate that sufficient liquidity is maintained to meet the Company's financial and regulatory obligations.
- Approve, monitor, and review such Company policies as may be delegated to the Committee from time to time by the Board. Ensure these policies are consistent with the Company's risk appetite.
- Review and evaluate the processes adopted by management to monitor the internal and external Investment Manager's ongoing compliance with these policies and ensure that there is an effective investment management environment within the Company.
- Review the adequacy of the resources within the investment team.
- Report and make recommendations to the Board on the results of reviews and evaluations mentioned above.
- Assist in effective communication between the Board and the Investment Managers.

General Information on the Key Functions:

The following section provides a summary of the authority, resources, and operational independence of the key functions.

Risk Function:

The risk function is headed by the Chief Risk Officer (“CRO”) who ensures that all risks facing the Company are prudently managed and that material risks are reported regularly to management and the Board. The CRO is responsible for embedding risk management into the Company, promoting risk awareness and a risk culture conducive to best practice risk management in line with the risk philosophy of the Company. The CRO is supported by the Senior Risk Management Officer (“SRMO”) and a network of Risk Owners (“ROs”). The CRO acts independently of influence from other functions and management within the context of compliance with Solvency II and Corporate Governance.

The Risk Management and Compliance Steering Committee (“RMCS”) supports the CRO by understanding the risks undertaken by the Company and overseeing the management of these risks. The RMCS meets quarterly to assess current and emerging risks and provides guidance for areas of focus.

The CRO chairs the RMCS and is responsible for ensuring that all risk management activities and reports are well-documented and appropriately communicated to the RMCS and Company management. The RMCS reports to the Risk Management and Compliance Committee.

Internal Audit Function:

The function is headed by the Company’s Head of Audit, who is employed by RGA Enterprise Services Company. Local internal audit employees are employed by RGA International Reinsurance Company dac and RGA UK Services Limited. Internal Audit carries out an important role in monitoring and validating controls for risks across the Company. It has direct accountability to the Audit Committee and reports at least quarterly to the Committee. The Internal Audit function maintains independence from the Company and attests to this independence on an annual basis to the Audit Committee. The Company operates a rolling risk adjusted audit plan to ensure that main risks are audited in a continual cycle, adjusted for risk-based prioritisation. Further information on this independence is provided in section B.5.

Compliance Function:

The Head of Compliance (“HoC”) is independent of the business units and reports on compliance with Company policies, legislative and regulatory requirements. The HoC’s role is discussed in detail in section B.4.5. The HoC provides quarterly reports on compliance to the Risk Management and Compliance Committee.

Actuarial Function:

The Actuarial Function is headed by the Head of Actuarial Function (“HoAF”). This role is outsourced to Brian Morrissey of KPMG since May 2023. Information on the authority, resources and independence of the Actuarial Function is provided in section B.7. The HoAF provides quarterly reports on the activities of the Actuarial Function to the Audit Committee.

Finance Function:

The Financial function is headed by the Chief Financial Officer (CFO). The CFO is responsible for:

- All external financial reporting.
- Planning and Budgeting.
- Reporting on financial performance and solvency to the Audit Committee and senior management.
- Analysing cash flows, cost controls and expenses.
- Capital management.
- Liquidity Management.
- Maintenance and oversight of the Internal Control Framework.

B.1.2 Material Changes in the System of Governance

Following the retirement of Garth Lane, in May 2023 the Head of Actuarial Function was outsourced to Brian Morrissey of KMPG for a twelve month period.

Mr. Creedon terminated his assignment as Director of the Company on 30th April 2023 and was replaced by a new Independent Director, Ms. Rosemary Commons on 1st May 2023.

Paul Nitsou resigned as Chairman on 31st August 2023 and John Hayden was appointed Chairman on 18th October 2023.

Alka Gautam resigned as Non-Executive Director on 31st August 2023.

Cormac Galvin and Tanya Blackmore were appointed as Non-Executive Directors on 21st September 2023.

B.1.3 Remuneration policy

B.1.3.1 Principles of remuneration

The principles for remuneration of the employees of the Company are:

- Total compensation opportunities that will attract, retain, and motivate high-performing individuals.
- Align the compensation structure to business strategies and local market practice.
- Reinforce its pay-for-performance culture by making compensation variable and based on RGA financial metrics unit and individual performance.
- Support the Company's culture of teamwork and accountability.
- Provide remuneration structures that encourage responsible management behaviour that supports the long-term financial stability of the Company.

B.1.3.2 Share options, shares or variable components of remuneration

The Company's variable remuneration is made up of:

- Annual Bonus Plan ("ABP").
- Long Term Incentive Plan ("LTIP").

Annual Bonus Programme ("ABP")

Employees are typically eligible to participate in the ABP, which provides annual cash incentive compensation based on a combination of both financial and non-financial metrics.

In the calculation of performance-based elements of compensation, consideration will be given to the proper balance of individual and Company performance results (the what) and desirable individual behaviours (the how).

Long Term Incentive Plan ("LTIP") for senior employees

RGA compensates its senior employees additionally in the form of medium / long term equity and equity-based awards (Long Term Incentive Plan). The intent is to provide an appropriate mix of compensation to ensure plan participants are not overly focused on short-term results.

B.1.3.3 Supplementary pension or early retirement schemes

The Company's remuneration policy does not include any early retirement schemes for members of the Board, management, or key function holders. The Company's group pension plans are country specific and depending on the country are Employer-only contributions or comprised of Employer / Employee contributions. Generally, those are defined contribution plans for all employees.

B.1.3.4 Total employee remuneration

The total remuneration paid to employees was as follows:

	2023	2022
	€'M	€'M
Employee Costs	<u>27.8</u>	<u>25.6</u>

Employee numbers reduced by 2% during the year.

Included in the total amounts paid to employees were the following amounts paid to the Directors of the Company:

	2023	2022
	€'M	€'M
Aggregate amount of Emoluments paid to Directors	0.5	0.4
Aggregate amount of sums paid to Defined Contribution Pension schemes	-	-
Long Term Incentive Plans	-	-
	<u>0.5</u>	<u>0.4</u>

There were no material transactions with persons who may exert a significant influence over the Company other than disclosed above.

B.2 Fit and proper assessment

The Company's Fitness and Probity policy sets out the requirements for the appointment of personnel to the Board, Branch manager and senior manager positions which fall within the definition of "Control Function" as set out under the Central Bank of Ireland Fitness and Probity Standards issued under Section 50 of the Central Bank Reform Act 2010. It also sets out the requirements of the Financial Conduct Authority for the UK Branch and the Monetary Authority of Singapore for the Singapore Branch.

The staff appointed to these roles in the Company have been chosen because they possess the professional qualifications, experience, knowledge and business acumen necessary to discharge their respective duties. They collectively have been assessed as fit to provide for the sound and prudent management of the Company.

The fitness and probity policy set out the qualities needed for senior management and Director Positions. These include both professional competences i.e., management and technical competence regarding their relevant area, as well as an assessment of the propriety of the person.

The Company considers only those potential candidates for interview that have a proven track record in terms of qualifications, skills, market knowledge experience and reputation for the position under consideration. When suitable potential candidates have been identified, they undergo a rigorous interview process. Once a candidate has been selected, a detailed assessment is conducted including obtaining the following documentation:

- Educational background and corresponding certificates/transcripts/records
- Professional qualifications and Membership
- Curriculum Vitae or Completed Job Application
- Previous Employer References
- Financial Checks
- Regulator Checks
- Commercial Register Checks
- Self-Certification of fitness and probity by the applicant.

The Company assesses fitness and probity requirements through annual performance reviews. Senior managers and Directors are required to certify annually that they continue to be fit and proper in accordance with those standards to perform their function.

In accordance with the Minimum Competency Regulations issued by the Central Bank of Ireland the Company completes an assessment of all controlled functions and has identified the individuals that fall within scope, including those conducting reinsurance distribution as defined under the European Union (Insurance Distribution) Regulations 2018. These individuals will complete the annual 15 hours CPD requirement which will be evidenced through a CPD log on Company's Learning Exchange system or completion of professional CPD requirements from a professional qualification. The relevant individuals also complete an annual attestation of their compliance with this requirement.

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

Risk management is integrated within the business planning and strategy setting of the Company and is aligned to the Company's risk appetite. Through the management of common risks across the Company via the implementation of a robust risk assessment process, the Company can improve capital deployment and resource allocation, reduce operational losses and protect its reputation and brand, through an enhanced understanding of risks which feeds into the decision-making process.

The Company has a robust Enterprise Risk Management (ERM) framework that communicates with transparency risks to its senior management and the Board, and enables improvements in performance and the ability to establish competitive advantages while optimizing the cost of risk management.

B.3.1 Risk Culture and Governance

A Company-wide risk management culture is the backbone that holds the ERM framework together, embedding risk management in all the Company's business processes in accordance with the Company's overall risk philosophy. Risk culture plays a prominent role in the effective management of risks assumed. The Company's risk culture is focused on prudent risk management and the application of established best practices. The Company's risk management activities and all associated processes entail strong Board governance.

Through the facilitated ongoing risk monitoring process, review and continuous improvement, the Company encourages a culture of sharing and open communication. A positive risk culture stems from personal accountability and responsibility where everyone is aware of what they need to be doing. This positive culture is further enhanced by ensuring that as many employees as possible receive regular enterprise risk management training and remain at the forefront of the latest thinking. A rigorous annual training program is undertaken by the Risk Management Function across all countries within the Company reinforcing the message of openness and accountability.

B.3.2 Risk Policy Framework

As part of the Risk Governance Framework, the Company maintains risk policies that are reviewed and approved by the Board on a periodic basis to ensure that the key messages align to the Group's values, the Company's values, and Solvency II requirements.

The Enterprise Risk Management Framework at the Company builds off three key policies.

- **The Risk Management Strategy**

The Risk Management Strategy is an overarching policy outlining the Company strategy with respect to ERM. The Strategy works in conjunction with the individual Risk Policies, the Enterprise Risk Management Framework and the Risk Appetite and Limits Statement.

- **The Enterprise Risk Management Framework**

The Enterprise Risk Management Framework sets out the principles and approach for ERM across the Company. The Framework:

- Provides a comprehensive overview of the Company's risk management practice and procedures.
- Sets a consistent framework for risk management in line with other Corporate and Company policies.
- Establishes a baseline around the ERM framework.
- Articulates the approach to risk governance within the Company.

- **The Risk Appetite and Limits Statement**

The purpose of the Risk Appetite and Limits Statement is to define the level and nature of risks which the Board's Risk Management and Compliance Committee (RMCC) considers acceptable. This document defines the boundaries which the Company will accept.

The Company's Risk Appetite and Limits Statement is set in the context of both its overall business objectives and its risk strategy. Risk strategy and risk appetite are dynamic concepts. Risk appetite is a mechanism supporting the evaluation of strategic opportunities and decisions. If an opportunity is outside of the Company's risk appetite, an evaluation of the Company's capacity to bear the risk will be undertaken.

In addition to these policies, the Company also has specific policies relating to its risk categories.

B.3.3 Risk Categories

The Company's risks are categorised as Insurance, Market, Credit, Capital, Strategic and Operational. This is in line with industry best practices and the way that the Company manages and quantifies risks and its required capital.

B.3.4 Risk Assessment process

To ensure that senior management and risk oversight committee members receive accurate risk information, the Company assigns roles and responsibilities for risk management in a fashion that reflects the complexities inherent in its business model.

The Risk Management Function facilitates the quarterly risk assessment process as described in the Board approved ERM Framework. Risk Assessments are performed every quarter using a consistent risk assessment methodology.

In summary the Risk Assessment process encompasses:

- Risk Identification.
- Risk Measurement.
- Risk Management.
- Risk Monitoring.
- Risk Reporting.

B.3.5 Own Risk and Solvency Assessment

The Own Risk and Solvency Assessment (“ORSA”) process is a key element of the Risk Control Cycle. The ORSA provides management with a mechanism to assess the risks faced by the Company and to determine the level of capital required to ensure that the Company meets its strategic objectives.

The Risk Control Cycle is a continuous process of risk identification, measurement, monitoring and challenge throughout the Company.

An annual ORSA report is produced that summarizes the activities of the year and analyzes the risks the Company faces. The report contains multi-year projections of key balance sheet metrics and tests the impact of various extreme stresses and adverse scenarios on the Company’s capital position.

B.3.6 Use of the ORSA

The projections used in the development of the ORSA report are a valuable management tool. Between reports, the projections are used to project future capital usage and its sensitivity to risks. When large transactions are being contemplated, these same projections are used to test the impact of the transaction on the Company.

In addition, the models and projections developed are used to set assumptions with respect to capital requirements for new business pricing. The models are also used in the development and setting of risk limits and in the development and testing of retrocession strategies.

B.3.7 Solvency Assessment

The Company utilizes the Solvency II Standard Formula to assess its risks and solvency needs. Analysis has shown that the Standard Formula is a reasonable representation of the risks facing the Company.

The primary exception is currency risk. The Company believes the Standard Formula approach overstates the capital requirements for companies with multi-currency liabilities in that it does not recognize the risk management benefits of currency matching assets to the Risk Margin and SCR of the Company.

B.3.8 Role of the Board and Committees

The ORSA process is an on-going assessment and is aligned to the quarterly risk reports provided to the RMCSC and Risk Management and Compliance Committee of the Board. The Board ultimately owns the ORSA process, and both Committees are engaged in developing it. The ORSA is performed in accordance with the Company’s ORSA Policy reviewed annually and approved by its Board.

The plan for the ORSA report is presented to the Committees in the first meeting of each year to allow the members to provide guidance and feedback on the risks to be considered during the year. The stress tests included in the ORSA are forward looking but also take past experience into account.

The most recent ORSA report was submitted to the Central Bank of Ireland in December 2023.

B.4 Internal control system

B.4.1 Overview

The Company has established an internal control framework which is directly linked to risk management and compliance.

The framework has been established to ensure the effective and efficient operation of the Company; enabling it to respond to financial, operational, compliance and other risks. It also ensures the accuracy of information and prevents the risk of fraud.

The framework encompasses the Company's Policies and Procedures; and authorities that have been delegated to management by the Board.

The policies and procedures are grouped as follows:

- Company Level Controls.
- Process / Transaction Controls.
- Roles and Responsibilities.

The Company's ultimate parent, RGA Inc., is listed on the New York Stock Exchange and as such it and its subsidiaries are subject to Section 404 of the 2002 Sarbanes-Oxley Act ("SOX"). This section requires the Group to make assertions relating to the effectiveness of the internal controls over financial reporting.

B.4.2 Company-level Controls

The Company-level controls are those controls that have a pervasive effect on the Company. These controls are subdivided into five components: control environment; risk assessment; monitoring; information and communication; and control activities.

The following table highlights the policies, procedures and other elements that Company has in place to support Company-level controls:

Control Component	Policies, Procedures and Other Elements
Control Environment sets the tone of the Company, influencing the control consciousness of its employees. It is the foundation for all other components of internal control, providing discipline and structure.	<ul style="list-style-type: none"> • Tier 1 and Tier 2 compliance policies • Organisational structure • Audit Committee oversight • HR policies, including management compensation programmes • Pricing Polices • Fraud programs and controls (including whistleblower) • Reporting Policy, including error escalation procedures
Risk Assessment is the identification, analysis and management of risks.	<ul style="list-style-type: none"> • Monitoring for changes that potentially can affect the Company • Review of significant accounting estimates • Consideration of the possibility for unrecorded transactions • Identification and assessment of fraud risks Audit Committee oversight

Control Component	Policies, Procedures and Other Elements
<p>Monitoring is a process that assesses the quality of internal control performance over time.</p>	<ul style="list-style-type: none"> • Process for addressing internal control recommendations and known deficiencies • Audit Committee oversight • Process for monitoring the functioning of significant controls • Role and functioning of Internal Audit
<p>Information and Communication systems support the identification, capture, and exchange of information in a form and time frame that enable people to carry out their responsibilities.</p>	<ul style="list-style-type: none"> • Accounting systems • IT applications • Written job descriptions • Adequacy of communications across the Company
<p>Control Activities are the policies and procedures that help ensure that management directives are carried out.</p>	<ul style="list-style-type: none"> • Policies and procedures • Safeguarding of physical assets • Segregation of duties • Business planning and budgetary processes

B.4.3 Process / Transaction-level Controls

For each material process, the Company maintains written process documentation which includes a complete description of the process and a detailed description of the control activities.

The Company considers the risk of potential material errors or fraud and designs specific controls to prevent or detect these errors. These controls consist of segregation of duties, detailed review of data, authorisation limits, reconciliations, and review of results. The Company has a separate outsourcing policy.

Where the controls are performed by a third-party provider, the Company has sufficient internal controls to mitigate the risks and can audit the third-party provider.

In addition to the testing performed by management, Internal Audit performs detailed tests of controls through inquiry, observation, inspection, and re-performance. Controls are either tested annually or on a rotational basis depending on their significance. The controls are tested as part of the Group's SOX requirements or as part of the regular audit programme.

B.4.4 Roles and Responsibilities

The Board approves the policies that define the internal control framework of the Company.

The Audit Committee, on behalf of the Board, oversees the internal control framework.

The senior management team, led by the Managing Director, are responsible for ensuring that Company has the appropriate people and procedures in place to ensure that the Company's internal control framework is upheld.

B.4.5 Compliance Function

The Head of Compliance (“HoC”) has responsibility to identify, assess, monitor and report on compliance risk for the Company. Compliance risk is defined as the risk associated with non-compliance with applicable laws, rules, or regulations and Company policies that are related to compliance with such laws, rules, or regulations.

The HoC is positioned independently of the business and reports directly to the Managing Director and provides regular updates on compliance matters. In addition, the HoC reports quarterly to the Risk Management and Compliance Committee of the Board.

The Compliance Function is described in the Compliance Policy, Compliance Charter and Framework. A Compliance Plan is approved annually by the Board.

The main compliance activities can be described as follows:

- Ensuring the Company is up-to-date on current regulatory and legislative requirements. Assessing and communicating the impacts of developments and ensuring the business is prepared for implementation.
- Regular engagement with the business to monitor and assess compliance including an annual review of Compliance Manuals for the Company and each of its Branches.
- Monitoring compliance with legislative, regulatory and Company policy requirements. This includes a detailed schedule of compliance requirements being maintained and monitored on an on-going basis.
- Reporting to the Risk Management and Compliance Committee on all compliance matters.
- Ensuring a fit for purpose compliance framework is in place for the management of compliance risks.
- Act as one of the primary contacts with regulatory authorities in Ireland, EU countries where RGAI has branches and the UK.
- Own compliance policies and recommend changes as required. Present new or amended policies for the approval of the relevant governance committees, as appropriate.
- Provide any other such reports as may be required from time to time to the Risk Management and Compliance Committee, Audit Committee and Board.

B.5 Internal audit

Introduction

The Company utilises Global Audit Services (“the internal audit function”) to perform its internal auditing.

An internal audit charter and an internal audit policy have been developed. The policy is reviewed by the RGAI Audit Committee and approved by the RGAI Board annually. The charter is reviewed by the RGAI Audit Committee and approved by the RGAI Board every three years. There were no significant changes to the charter or policy during 2023.

The Internal Audit Policy covers the following areas:

Role

The Company currently outsources internal audit services to RGA Global Audit Services. The Internal Audit Function reports to the Audit Committee of RGA Inc at an enterprise level, and locally to the Audit Committee of RGAI. RGA Global Audit Services maintains audit staff in key geographical locations including Dublin, London, Hong Kong and St. Louis, Missouri.

Authority

The Internal Audit Function has full, free, and unrestricted access to all the Company’s records, physical properties and personnel and reports directly to the RGAI Audit Committee.

Structure and resourcing

The Internal Audit Function comprises:

- A team of auditors based in London and Dublin who carry out operational audits covering the Company’s branch offices including Dublin headquarters and the UK and European branches.
- Auditors from Global Audit based at RGA’s headquarters in St Louis, Missouri, who assist with audits of the Global Financial Solutions business, Investments, Information Technology and related areas such as data privacy and cyber security, and Corporate Functions including Human Resources.
- An Asia Pacific audit team based in Hong Kong which conduct audits inter alia of the Company’s Singapore branch, and other Asia Pacific operations relevant to RGAI such as India where the Company has written business.
- Subject matter experts from Global Underwriting, Claims and Medical and from Global Risk Services assist with audits of underwriting, claims, reserving and pricing under the supervision of internal audit management, after rigorous vetting to ensure the absence of conflicts of interest.
- Additional resources are sourced from reputable external professional services firms from time to time to provide additional specialist expertise on selected audits.

Independence and objectivity

The Internal Audit Function remains free from interference by any element in the organisation and no internal auditors have any operational responsibilities within the business. Internal auditors are required to exhibit the highest level of professional objectivity and remain free of undue influence in forming judgements.

The Head of Internal Audit confirms to the RGAI Audit Committee, at least annually, the organisational independence of the internal audit function.

Internal audit planning

Annually, Internal Audit updates the risk-based rolling audit plan, which the Head of Internal Audit or his delegate presents to the RGAI Audit Committee for approval. Any subsequent changes to the plan are communicated to the RGAI Audit Committee as part of Internal Audit's Activity Report.

Reporting and monitoring

A written report is prepared at the end of each internal audit engagement. The report includes management responses and corrective action to be taken. The Internal Audit Function is responsible for following-up on engagement findings and recommendations to promote remediation by management on a timely basis.

Issue tracking status and details of any significantly overdue items are included in Internal Audit's regular Activity Reports to the RGAI Audit Committee.

B.6 Actuarial function

Regulation 50 of The European Union (Insurance and Reinsurance) Regulations 2015 requires the Company to establish and maintain an effective Actuarial Function. The Domestic Actuarial Regime and Related Governance Requirements issued by the Central Bank of Ireland requires the Company to ensure that a Head of Actuarial Function (“HoAF”) is appointed to be responsible for the actuarial function. The HoAF is a Pre-Approved Controlled Function role.

The position of the HoAF for the Company is held by a Fellow of the Institute and Faculty of Actuaries and of the Society of Actuaries in Ireland who has complied continuously with the specific professional obligations this requires. The HoAF role is currently outsourced.

The HoAF is supported by Fellows of the Institute and Faculty of Actuaries and the Society of Actuaries in Ireland, international actuaries with equivalent qualifications, as well as other technical professionals within their organisation. They are also supported by the Valuation Team and Senior Management within the Company..

The Actuarial Function is responsible for:

- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions.
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions.
- Informing the Audit Committee of the Board of the reliability and adequacy of the calculation of technical provisions.
- Expressing an opinion on the overall underwriting policy.
- Expressing an opinion on the adequacy of reinsurance arrangements.
- Contributing to the effective implementation of the risk-management system.
- Proposing the best estimate assumptions to the Audit Committee of the Board.

The HoAF is supported by the Company’s Valuation team in:

- The coordination of the calculation of technical provisions.
- Comparing best estimates against experience.

The HoAF prepares and submits the annual Actuarial Report on Technical Provisions and Actuarial Opinions on Technical Provisions, Underwriting Policy, and the Adequacy of Reinsurance Arrangements. The HoAF also produces written reports that are submitted to the Board at least annually setting out the tasks that have been undertaken by the Actuarial Function, the results of those tasks and any relevant recommendations.

B.7 Outsourcing

Given the nature, size, and complexity of the Company it is intentionally organised to leverage the Group's expertise. Through the implementation of intra-group outsourcing arrangements, the Company can efficiently manage operational expenses, while properly managing risks, by leveraging the Group's worldwide presence, professional network, consistent standards, and a high level of protection in delivery of service.

Given the diversity and complexities of operating in various markets the Company outsources to external local expert providers for investments, IT (data storage, cyber security, and other applications), actuarial, payroll and tax.

The Company has implemented an outsourcing policy, in keeping with system of governance requirements under Statutory Instrument 485, which sets out the process governing the decision to outsource, the choice of service provider and how monitoring is performed.

Each outsourcing arrangement is governed by a Services Agreement. The Company designates a PCF holder with overall responsibility for the outsourced arrangement where key functions are outsourced. Furthermore, the Company identifies a person in each service provider who is responsible for the performance of the outsourced activity.

The Company's outsourcing process is as follows:

Service Provider Selection

The Company adopts a high standard of care and due diligence in selecting a service provider. The Company considers only those potential service providers that have a proven track record in terms of qualification, reputation, and capacity to fulfil the business service need. Once suitable potential service providers have been identified and selected, they undergo a due diligence process to ensure they can deliver the service to the standards required.

Contractual Approval

Each service outsourced is governed by a legally binding Services Agreement signed by both parties. The Services Agreement is approved in line with the Company's contract approval process.

Contingency and Exit Planning

The Company has a business continuity plan in place which is reviewed at least annually. Notice periods for termination are agreed and specified in each contract when outsourcing key functions. Exit strategies are in place with suitable internal or external alternatives identified to replace existing outsourcing arrangements. External Service Providers test their own business recovery plan and share results on request.

Reporting and Monitoring

A detailed register of all outsourcing arrangements is maintained. The Company has processes for regularly monitoring the performance and service provided by the Service Providers.

The Company utilises Service Providers both internal and external to the Group to outsource certain critical or important functions as follows:

Description of Outsourcing Activities	Name of the Service Provider	Jurisdiction
Intra-group (RGA companies)		
Investment Management to direct the investment of the portfolio of assets	RGA Capital Limited	United Kingdom
Marketing support services including pricing and business support services including underwriting, claims management, administration, actuarial, IT, legal, DPO, finance, internal audit and risk management	RGA UK Services Limited	United Kingdom
Investment Management, administration, treasury, tax, finance, internal audit, Executive, Risk Management, actuarial valuation, IT and data security	RGA Enterprise Services Company	United States of America
Administration, finance, internal audit, Risk Management, actuarial valuation	RGA Reinsurance Company Hong Kong Branch	Hong Kong
Underwriting, Claims, Pricing and Legal	RGA Services (Singapore) PTE. LTD.	Singapore
Desktop IT Support and Underwriting for the Singapore Branch	RGA Global Shared Services India Private Ltd	India
IT, Underwriting, Pricing and Finance	RGA Life Reinsurance Company of Canada	Canada

Description of Outsourcing Activities (continued)	Name of the Service Provider	Jurisdiction
EXTERNAL		
Head of Actuarial Function (HOAF)	KPMG	Ireland
Email Cloud Storage	Microsoft	United States of America
Provision of cloud data storage	Amazon Web Services Inc	United States of America
Administration	JLT Benefit Solutions Limited	United Kingdom
Certifying Actuary	Willis Towers Watson	Singapore

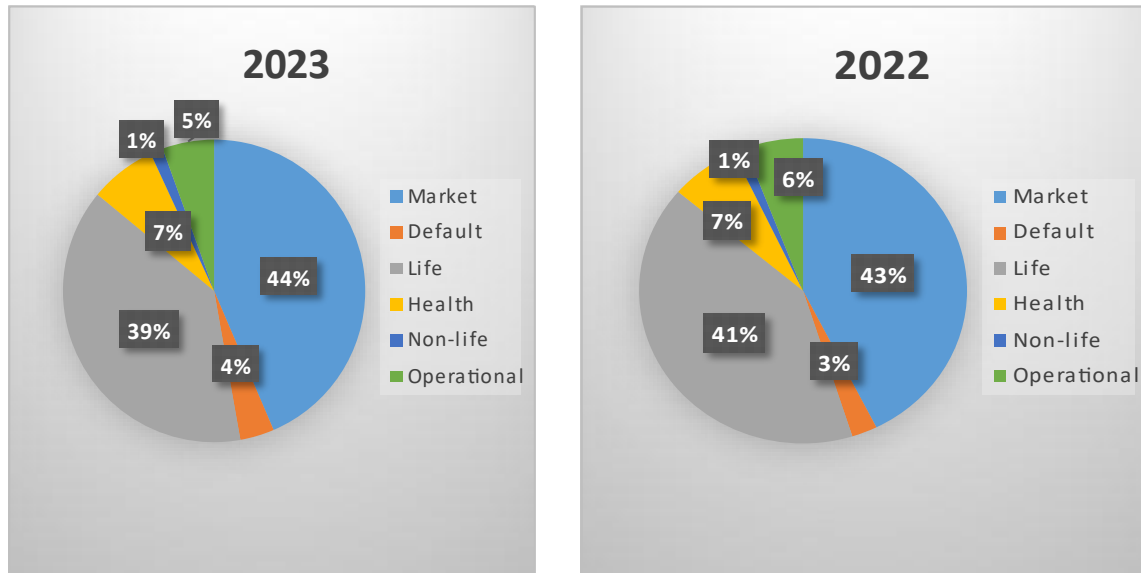
A number of outsourced activities, in particular for IT services, are using sub-outsourcing providers, for which similar selection and monitoring procedures are used. Critical sub-outsourced activities are subject to regulatory approvals.

B.8 Any other information

No other items to note.

C – Risk Profile

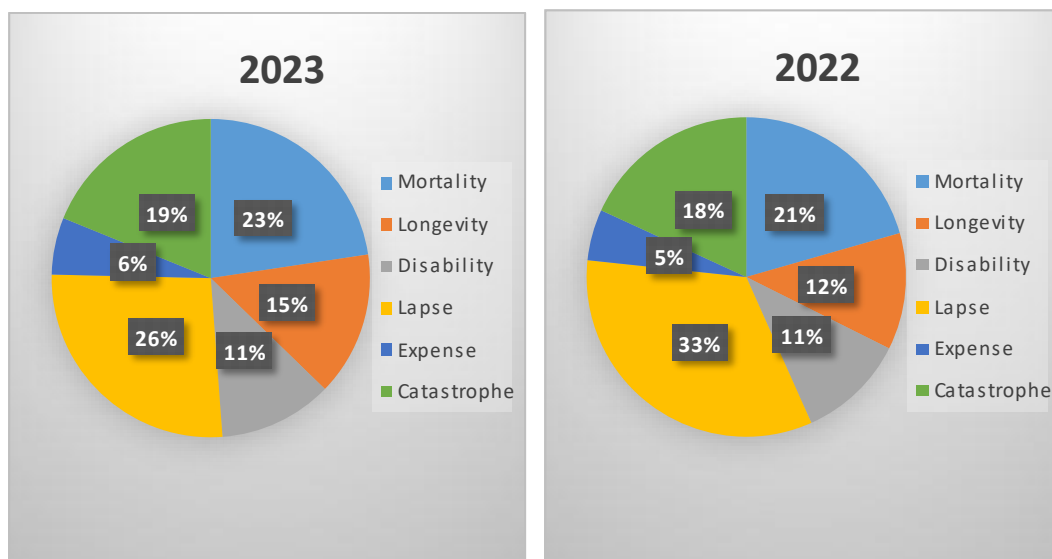
The risk profile of the Company is most heavily weighted towards life insurance underwriting risks and market risks. This risk profile is not expected to change significantly over the near term.



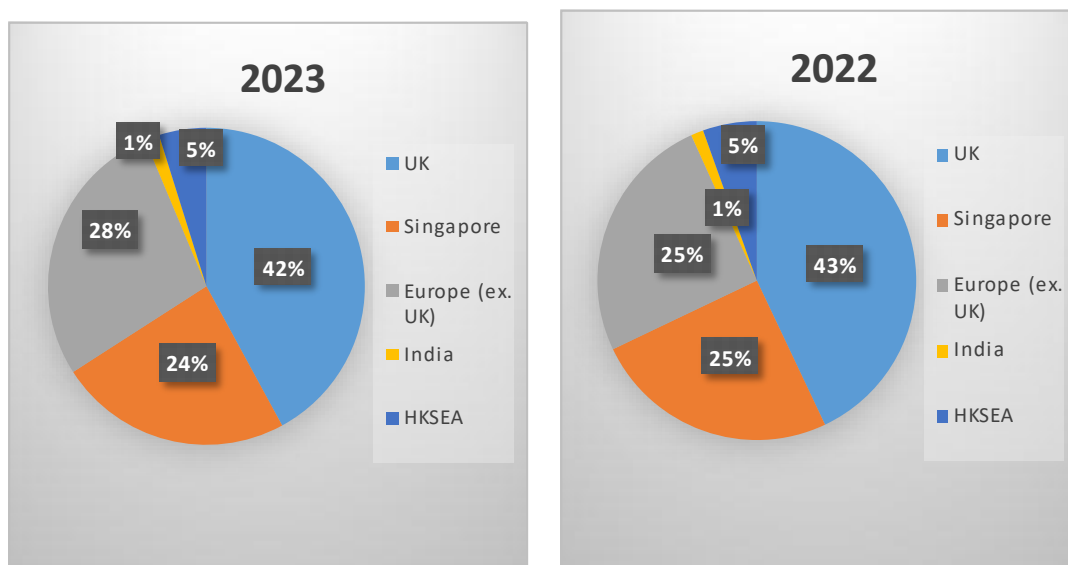
All Solvency Capital Requirements (“SCRs”) have been calculated net of retrocession. The risk profile of the Company, as represented by the relative size of each element of the overall SCR, is similar to the prior year. There was a modest decrease over the year in the percentage of the Company’s capital requirement relating to life insurance risks (2023: 39%, 2022: 41%) and operational risks (2023: 5%, 2022: 6%) while there was a modest increase for market risks (2023: 44%, 2022: 43%) and default risk (2023: 4%, 2022: 3%). The percentage relating to health insurance risks (2023: 7%, 2022: 7%) was largely unchanged.

C.1 Underwriting risk

Capital requirements for underwriting risks relate primarily to the Company's life protection business, i.e. mortality, disability and lapse risks. Longevity risk relating to its reinsurance of annuity business continues to increase due to new business written, leading to improved diversification benefits.



While the above charts show there is good diversification across underwriting risks, the charts below show the business is also diversified across regions.

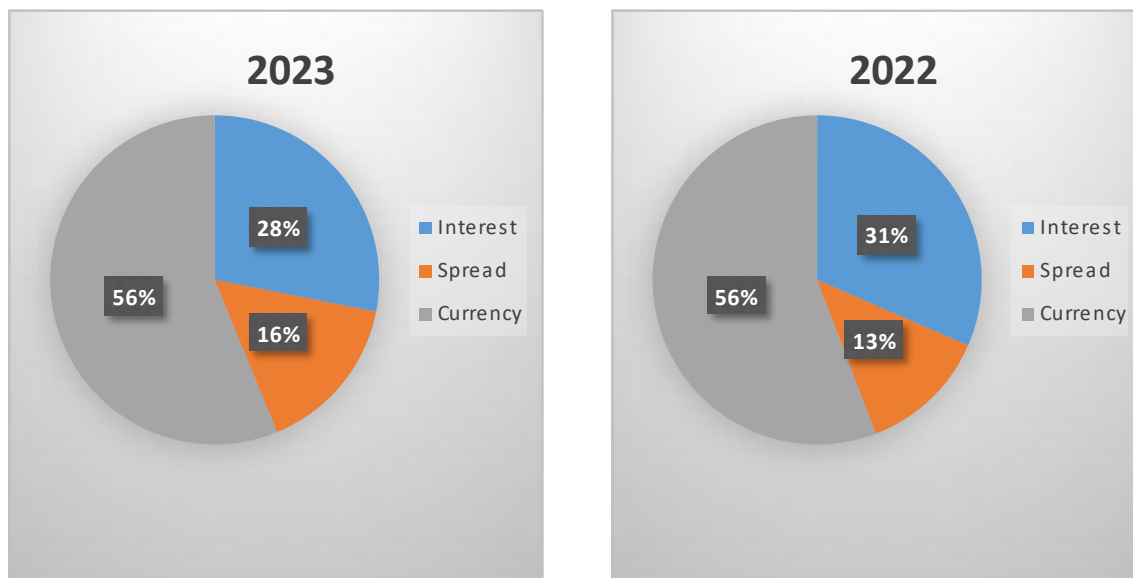


The UK branch, at 42% (2022: 43%) of the total underwriting risk capital requirement, contributes significantly to the risk profile of the Company. Within the branch, UK longevity business creates a level of diversification with the mortality and morbidity risks. Outside of the UK, operations in Singapore and Europe also contribute significantly.

Overall, the Company considers its insurance risks to be well diversified.

C.2 Market risk

The key market risks to which the Company is exposed relate to changes in interest rates, credit spreads and currency exchange rates. The split of capital requirements for these risks at end of years 2023 and 2022 is as outlined in the charts below. There was little change in the market risk profile over the year.



The Company manages its exposure to currency and interest rate risks through the matching of its assets to its technical provisions and capital requirements.

The Company believes the Standard Formula approach overstates the capital requirements for companies with multi-currency liabilities in that it does not recognize the risk management benefits of currency matching assets to the Risk Margin and SCR of the Company.

The Company has credit spread risk arising from investments in corporate bonds and other fixed income securities to support its annuity business. This is managed through a prudent investment philosophy of asset selection and diversification, together with retrocession of some market risk out of the Company.

The Company does not invest directly in equities or property, but it does have a modest exposure to commercial mortgages and securitised lifetime mortgages.

C.3 Credit risk

Credit risk manifests itself on the balance sheet in two forms; the risk that credit spreads on its invested assets will expand and the risk that creditors will default on their commitments. The risk of changes in credit spreads is covered under market risks.

The Company mitigates its risk of credit default by several means. It invests primarily in investment grade fixed income securities and only uses highly rated retrocessionaires. In addition, it diversifies its exposure by employing single name limits on its investments, its exposure to insurance counterparties, and its third party retrocessionaires.

C.4 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet payment obligations at expected costs or in the capacity required.

Liquidity is needed to allow the Company to manage itself over periods of high unanticipated cash outflows.

The primary drivers of liquidity risk for the Company are:

- An unexpected increase in claim payments due to volatility or external events such as a pandemic, and
- Sudden market movements resulting in a requirement to increase the amount of assets held in trust for certain cedants who have ceded significant liabilities on a coinsurance basis and require collateral to protect their interests.

The Company's assets are invested in line with the prudent person principle, considering the liquidity requirements of the business and the nature and timing of the insurance liabilities. In addition, the Company's main sources of liquidity are premium income and cash flows from its investment portfolio, along with liquid assets, which consist mainly of cash or assets that are readily convertible into cash.

The Company manages its liquidity risk in the following ways:

- Active management of the Company's liquidity position,
- Asset liability management, and
- Maintaining a portion of its invested assets in liquid assets, including cash, cash equivalents and sovereign debt.

In addition, the Company is a participant in RGA Inc.'s Intercompany Revolving Credit Facility. The facility allows RGA entities access to short-term funds up to a prescribed limit (\$50 M for the Company). The source of these facilities is independent of RGA.

The Expected Profit Included in Future Premiums ("EPIFP") is €332.9million.(2022: €331.1million). The EPIFP arises where the expected cash income flows are greater than the cash expected outflows. The EPIFP is included as part of the Company's eligible own funds (section E1) but is highly illiquid.

C.5 Operational risk

Operational risk is an unavoidable part of doing business. A company must implement controls to mitigate operational risk as it is not possible to exclude operational risk completely.

The Company aims to minimise its operational risk in relation to the sources of risk to which it is exposed. The risk appetite of the Company is reflected by establishing a sound framework of mitigation techniques (e.g., reporting of operational risk events, setting up and monitoring of Key Risk Indicators (“KRIs”) and limits). These measures aim to interpret the risk appetite of the Board and embed it into the operations of the Company.

The Company uses KRIs as a tool to facilitate the monitoring and control of operational risk. KRIs act as an early warning mechanism indicating any changes in the Company’s risk profile. The KRI owner (typically Head of the relevant Department) completes the quarterly KRIs. The Risk Management Team reviews with the requisite Head of Department seeking supplementary evidence where an amber or red rating is triggered.

In addition, the Company carries out Risk and Control Self-Assessments (“RCSAs”) to assess the design and performance of the Company’s risk management and control processes. The scope of RCSAs spans across operational risk categories, processes and controls. The RCSA process’s outcomes serve to identify any areas of improvement and operational efficiency gains, any potential failures and control weaknesses, providing an opportunity to remediate any gaps.

At present, discussions with management and Internal Audit as well as the quarterly risk review process have not identified any operational events that have the potential to threaten the solvency or ongoing operations of the Company. The Company continues to look for combinations of operational risk which could potentially threaten solvency when considering risk mitigation and risk controls.

All the above processes help in ensuring the Board’s stated appetite for risk is reflected operationally throughout the Company.

C.6 Other material risks

The material risks have been covered in the earlier sections.

C.7 Any Other Information

C.7.1 Assumptions and Sensitivities

The Company makes a number of assumptions about the future to compile the financial results. These assumptions relate primarily to future expenses, mortality, morbidity and policyholder lapse rates. The assumptions are informed by an analysis of historic and expected experience.

Sensitivity tests are used to assess the impact of the deviation of actual future experience from that assumed and to understand the volatility of the solvency position. The results of key sensitivity tests are shown in the table below. These were produced based on results from our actuarial models. For each sensitivity test we show the revised solvency ratio following the application of the stress as described in the table.

Solvency Ratio Sensitivities	31/12/2023
Base Scenario	190%
+5% Permanent Increase in Insurance Mortality	181%
-5% Permanent Decrease in Insurance Longevity	186%
Pandemic of 0.4 per mille	185%
16.7% Deterioration in Lapse Rates	185%
+5% Increase in Expenses and +0.5% p.a. Increase in Expense Inflation	187%
+10% Increase in Morbidity Rates	185%
-100 BPs Decrease in Yields	177%
+150 bps increase in credit spreads	182%
+/-10% Change in Foreign Exchange Rate (worst case)	188%

D – Regulatory Balance Sheet (Solvency II Balance Sheet)

This section explains the valuation method used for each item of the regulatory balance sheet.

The differences arising between the Financial Statements and the Regulatory Balance Sheet (Solvency II) are as follows:

2023	SFCR Section	Value per financial Statements	Reclassification	Disallowance	Different Valuation Technique	Value per Regulatory Balance Sheet
		€'M	€'M	€'M	€'M	€'M
Assets						
Deferred Acquisition Costs		180.2	-	(180.2)	-	-
Deferred tax assets	D.1.1	125.9	-	-	(103.3)	22.6
Property, plant & equipment held for own use	D.1.2	2.0	2.1	-	-	4.1
Investments	D.1.3	3,848.8	63.7	-	(17.0)	3,895.5
Reinsurance recoverables	D.1.4	2,752.1	(592.4)	-	(1,357.5)	802.2
Deposits to cedants	D.1.5	244.2	-	-	-	244.2
Insurance and intermediaries receivables	D.1.6	556.9	-	-	-	556.9
Reinsurance receivables	D.1.7	17.0	592.4	-	-	609.3
Receivables (trade, not insurance)	D.1.8	79.3	(63.7)	-	-	15.6
Cash and cash equivalents	D.1.9	92.8	-	-	-	92.8
		7,899.2	2.1	(180.2)	(1,477.8)	6,243.2
Liabilities						
Technical provisions	D.2	6,260.3	(582.6)	-	(1,915.5)	3,762.2
Deferred tax liabilities	D.3.1	146.6	-	-	(34.5)	112.1
Insurance & intermediaries payables	D.3.2	29.1	582.6	-	-	611.7
Reinsurance payables	D.3.3	663.8	-	-	-	663.8
Payables (trade, not insurance)	D.3.4	32.3	-	-	-	32.3
Subordinated liabilities	D.3.5	116.0	-	-	-	116.0
Financial liabilities other than debts owed to credit institutions	D.3.6	-	2.1	-	-	2.1
		7,248.1	2.1	-	(1,950.0)	5,300.2
Excess of Assets over Liabilities (Shareholder's funds)	E.1.2	651.1	(0.0)	(180.2)	472.2	943.0

2022	SFCR Section	Value per financial Statements	Reclassification	Disallowance	Different Valuation Technique	Value per Regulatory Balance Sheet
		€'M	€'M	€'M	€'M	€'M
Assets						
Deferred Acquisition Costs		106.5	-	(106.5)	-	-
Deferred tax assets	D.1.1	169.5	-		(156.6)	12.9
Property, plant & equipment held for own use	D.1.2	2.6	3.1	-	-	5.7
Investments	D.1.3	3,503.3	58.9	-	(18.5)	3,543.7
Reinsurance recoverables	D.1.4	2,015.8	(569.0)	-	(1,348.5)	98.3
Deposits to cedants	D.1.5	190.2	-	-	-	190.2
Insurance and intermediaries receivables	D.1.6	488.2	-	-	-	488.2
Reinsurance receivables	D.1.7	44.0	569.0	-	-	613.0
Receivables (trade, not insurance)	D.1.8	69.6	(54.2)	-	(0.2)	15.2
Cash and cash equivalents	D.1.9	62.2	-	-	-	62.2
		6,651.9	7.8	(106.5)	(1,523.8)	5,029.4
Liabilities						
Technical provisions	D.2	5,389.7	(587.1)	-	(2,120.0)	2,682.6
Deferred tax liabilities	D.3.1	114.0	-	-	(24.6)	89.4
Insurance & intermediaries payables	D.3.2	27.2	587.1	-	-	614.3
Reinsurance payables	D.3.3	570.2	-	-	-	570.2
Payables (trade, not insurance)	D.3.4	25.0	4.7	-	-	29.7
Subordinated liabilities	D.3.5	116.0	-	-	-	116.0
Financial liabilities other than debts owed to credit institutions	D.3.6	-	3.1	-	-	3.1
		6,242.1	7.8	-	(2,144.6)	4,105.3
Excess of Assets over Liabilities (Shareholder's funds)	E.1.2	409.8	-	(106.5)	620.8	924.1

D.1 Assets

D.1.1 Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, based on all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. The carrying amount of deferred taxation assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that enough taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised.

As at the 31 December the deferred tax amounts held were:

2023	Solvency II €'M	Financial Statements €'M	Difference €'M
Deferred tax asset	22.6	125.9	(103.3)
Deferred tax liability	(112.1)	(146.6)	34.5
Net deferred tax asset / (liability)	(89.5)	(20.7)	(68.8)

2022	Solvency II €'M	Financial Statements €'M	Difference €'M
Deferred tax asset	12.9	169.5	(156.6)
Deferred tax liability	(89.4)	(114.0)	24.6
Net deferred tax asset / (liability)	(76.5)	55.5	(132.0)

The difference between the net deferred tax liabilities is a result of the different valuation methodologies applied when calculating the technical provisions and the deferred acquisition costs included in the Financial Statements.

D.1.2 Plant Property and Equipment held for own use (Fixed Assets)

Tangible fixed assets are stated at historical cost. Depreciation is provided to write-off the cost of fixed assets by equal instalments over their estimated useful lives at the following annual rates:

Computer Equipment:	33% per annum
Furniture and Equipment:	14% per annum
Leasehold Improvements:	14% per annum
Large Software Applications:	10% - 15% per annum depending on expected useful life of the application.

As part of Solvency II reporting, leases are required to be recognised in accordance with IFRS 16. The Company prepares its Financial Statement under FRS102 and has not chosen to adopt IFRS16. Hence, the right of use asset in the amount of €2.1million (2022: €3.1million) is the only difference in the carrying value of Plant Property and Equipment between the regulatory balance sheet and the Financial Statements.

D.1.3 Investments

D.1.3.1 Fixed Income Securities

Fixed Income securities are valued at fair value plus accrued interest. In the Company's Financial Statements, the accrued interest is shown under Prepayments and Accrued Income.

Fair value is the amount that an asset or liability could be exchanged by willing parties in an arm's length transaction. Fair values are determined at prices quoted in active markets.

Accrued interest is a calculated amount based on the number of days since the last coupon payment and the coupon interest rate.

	2023	2022
	€'M	€'M
Fair value of fixed income securities (as per Financial Statements)	3,811.7	3,378.0
Accrued interest	63.7	58.9
Total value included in the annual regulatory return	<u>3,875.4</u>	<u>3,436.9</u>

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements.

D.1.3.2 Collective Investment Undertakings (Money Market funds)

Money market funds have been classed as collective investment undertakings in the regulatory balance sheet. They have been valued at fair value and the value held as at the 31 December was €37.1million (2022: €125.3million).

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements.

D.1.3.3 Commercial mortgages

Commercial mortgage loans represent approximately less than 4% (2022: 4%) of the Company cash and invested assets as of 31 December 2023.

Mortgage loans are carried on our FRS102 balance sheet at unpaid principal balances, net of any unamortized premium or discount, unamortized balance of loan origination fees and expenses, and allowance for credit losses. Allowance for credit losses on mortgage loans are computed on an expected loss basis using a model that utilizes probability of default and loss given default methods over the lifetime of the loan.

Under Solvency II, commercial mortgage loans are reported at fair value. The fair value of mortgage loans is estimated by discounting cash flows, both principal and interest, using current interest rates for mortgage loans with similar credit ratings and similar remaining maturities. As such, inputs include current treasury yields and spreads, which are based on the credit rating and average life of the loan, corresponding to the market spreads.

Accordingly, there are differences in the valuations of loans and mortgages on the two balance sheets.

The value of the commercial mortgage loans in the regulatory balance sheet is €143.6million (2022: €129.6million).

D.1.4 Reinsurance Recoverable

The Company uses a retrocession program to reduce its exposure to both large accumulation and individual risks and for capital efficiency with the RGA Inc. Group. The retrocession treaties that are in place are quota share treaties with embedded surplus arrangements and stop loss treaties.

The reinsurance recoverable is a €802.2million (2022: €98.3million) in the regulatory balance sheets is the retrocessionaires' share of the total technical provision (see section D2 – Technical provisions).

The recoverable value is calculated based on the technical provision and the terms of the retrocession treaty for each line of business.

The reinsurers' share of technical provisions in the Financial Statements is €2.752.1million (2022: €2,015.8million).

	2023	2022
	€'M	€'M
Amounts recoverable from reinsurers per the Financial Statements	2,752.1	2,015.8
Pending Claims Recoverable	(592.4)	(569.0)
Technical provisions less pending claims	<u>2,159.7</u>	<u>1,446.8</u>
Reinsurance Recoverables	<u>802.2</u>	<u>98.3</u>
Difference	<u>1,357.5</u>	<u>1,348.5</u>

The difference is due to different valuation methods used in calculating the technical provisions (see section D2 – Technical provisions). The method used in the Financial Statements is one where at inception, the Company establishes benefit reserves to cover the expected future policy benefits payable under the reinsurance contract. Long Duration Targeted Improvements (LDTI) requires the Company to review its cash flow assumptions at least annually and update if necessary. The regulatory balance sheet revalues the liabilities under current market conditions at each valuation date.

D.1.5 Deposits to cedants (Funds withheld)

The Company has entered into several treaties where the client retains the funds generated from the contract for the agreed period. These contracts are classified as funds withheld contracts and the balances owing is classified as deposits with cedants.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements which was €244.2million (2022: €190.2million).

D.1.6 Insurance and Intermediary receivables

Insurance and intermediaries receivable balances represent premiums owed from policyholders. Outstanding premiums are valued at fair value and due to the short-term nature of the receivable no adjustments to valuation are required.

Premiums due at the balance sheet date are shown net of outstanding claims on reinsurance contracts that specifically include a right of offset clause and are settled on a net basis.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements which was €556.9million (2022: €488.2million).

D.1.7 Reinsurance receivables

The reinsurance receivables relate to the amounts recoverable from the Company's retrocessionaires' for claims paid and pending. These claims are not part of the technical reserves on the regulatory balance sheet.

In the Financial Statements, the amounts recoverable for pending claims are included in the technical provisions and the amounts recoverable for paid claims are included in debtors.

The reinsurance receivables are valued at fair value and due to the short-term nature of the receivable no adjustments to valuation are required.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements, the values of which are as follows:

	2023	2022
	€'M	€'M
Pending Claims Recoverable	592.4	569.0
Settled Claims Recoverable	17.0	44.0
	<u>609.4</u>	<u>613.0</u>

D.1.8 Receivables (trade not insurance).

Receivables (trade, not insurance) comprises of the following amounts:

	2023	2022
	€'M	€'M
Other including prepaid expenses, tax recoverable & rental deposits	15.6	15.2
	<u>15.6</u>	<u>15.2</u>

D.1.9 Prepayments and Accrued Income

Included in prepayments and accrued income within the Financial Statements are two amounts:

- a. Interest receivable of €63.7million (2022: €58.9million) which has been included as part of the valuation of fixed income securities on the regulatory balance sheet.
- b. Deferred Acquisition Costs of €180.2million (2022: €106.5million). This value is excluded from the regulatory balance sheet in accordance with valuation requirements. The deferred tax asset of €22.6million (2022: €12.9million liability) is discussed in section D1.1

D.1.10 Cash and Cash Equivalents.

Cash and cash equivalents include cash on deposit and highly liquid debt instruments purchased with an original maturity of three months or less.

They are valued at fair value and due to the short-term nature of the receivable no adjustments to valuation are required.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements which was €92.8million (2022: €62.2million).

D.2 Technical Provisions

At 31 December 2023, the Company held gross Technical Provisions, valued for regulatory purposes, of €3,762.2million (2022: €2682.7million). The amounts recoverable from the Company's retrocessionaires was €802.2million (2022: €98.3million) (see section D1.4 – Reinsurance Recoverable).

The Company values Technical Provisions using the Standard Formula methodology described by the Solvency II regulations. The Technical Provisions are made up of a Best Estimate Liability ("BEL") of discounted future cash flows, an incurred but not reported claims ("IBNR") reserve and a Risk Margin.

The Risk Margin is an addition to the Best Estimate Liabilities. This is based on the expected cost of the solvency capital required to support the Technical Provisions over the term of the projection. The prescribed rate is 6% per annum.

The Company has three homogeneous risk groups for Solvency II reporting; life reinsurance, health reinsurance and non-life reinsurance. The material lines of business are within the life reinsurance group and consist of individual and group life, individual critical illness and longevity business.

The table below shows the analysis of the Technical Provisions showing the gross BEL, IBNR and Risk Margin by homogeneous risk group. It should be noted that the Risk Margin is always calculated on a net basis and there is no gross equivalent.

2023	Reinsurance Technical Provisions			
	Life €'M	Health €'M	Non-Life €'M	Total €'M
Gross BEL	2,763.7	(138.0)	60.3	2,686.0
Gross IBNR	400.5	266.4	26.4	693.3
Risk Margin	327.0	53.9	1.9	382.9
Gross Technical Provision	3,491.2	182.3	88.6	3,762.2
Reinsurance Recoverable	(571.6)	(163.6)	(67.4)	(802.6)
Net Technical Provision	<u>2,919.6</u>	<u>18.7</u>	<u>21.2</u>	<u>2,959.6</u>
2022	Life €'M	Health €'M	Non-Life €'M	Total €'M
Gross BEL	1,857.0	30.8	(147.2)	1,740.7
Gross IBNR	344.2	10.5	223.8	578.6
Risk Margin	312.7	1.8	48.9	363.4
Gross Technical Provision	2,513.9	43.1	125.5	2,682.7
Reinsurance Recoverable	46.4	(32.2)	(112.5)	(98.3)
Net Technical Provision	<u>2,560.3</u>	<u>10.9</u>	<u>13.0</u>	<u>2,584.4</u>

This method projects forwards the expected premiums, claims, annuity payments, experience refunds, allowances (commissions) and expense cash flows. The projections require assumptions about future mortality, morbidity, disability and persistency. The assumptions for mortality, morbidity and lapses are set after considering relevant industry information and an analysis of credible previous Company experience.

The Company incurs acquisition, maintenance and overhead expenses. The future expenses allowed for in the BELs relate to a provision for maintenance (and associated overhead) of policies in force at the valuation date.

These cash flows are discounted using prescribed risk-free rates provided by the European Insurance and Occupational Pensions Authority (EIOPA) to arrive at the final BEL. Negative BELs are permitted to be held on the regulatory balance sheet.

The Company does not use a matching adjustment or a volatility adjustment and has not adopted transitional measures.

Levels of Uncertainty

The uncertainty associated with the value of Technical Provisions relates to how future actual experience will differ from the best estimate assumptions used to calculate them. The key assumptions are lapse rates, mortality rates, morbidity rates and future maintenance expenses.

There is also uncertainty in relation to the estimation of the losses relating to claims which have been incurred but not reported.

Difference between the Regulatory Balance Sheet and the Financial Statements

Pending claims are included in the Technical Provisions within the Financial Statements but have been included as Insurance & Intermediary Payables in the regulatory balance sheet.

	2023	2022
	€'M	€'M
Technical provisions per the Financial Statements	6,260.3	5,389.7
Pending Claims	(582.6)	(587.1)
Technical provisions less pending claims	<u>5,677.7</u>	<u>4,802.6</u>
Technical provisions per Regulatory Balance Sheet	<u>3,762.2</u>	<u>2,682.6</u>
Difference	<u>1,915.5</u>	<u>2,120.0</u>

There is no difference in the carrying value of the IBNR between the regulatory balance sheet and the Financial Statements which was €693.3million (2022: €578.6million).

The reserves calculated in the Financial Statements use US GAAP methods and are based on best estimate cash flow projections.

The regulatory balance includes a Risk Margin. The regulatory assumptions are reviewed and updated to reflect the current best estimate of future experience and are discounted using market risk-free interest rates as regularly published by EIOPA.

The different bases of calculation have generated a difference of €1,919.5million (2022: €2,120.0million) as at 31 December.

D.3 Other liabilities

D.3.1 Deferred Tax Liabilities.

The deferred tax liability of €112.1million (2022: €89.4million) is discussed in section D1.1.

D.3.2 Insurance & intermediary payables.

The insurance and intermediary amount payable comprised of the following:

	2023	2022
	€'M	€'M
Pending Claims	582.6	587.1
Experience refunds payable	29.1	27.2
	<u>611.7</u>	<u>614.3</u>

Pending claims relate to amounts set aside for reported claims that are in the process of being settled. There is no difference in the valuation methods between the regulatory balance sheet and the Financial Statements, however, these amounts were included in the technical provisions in the Financial Statements.

Some clients, based on treaty provisions, are entitled to a refund if there is favorable experience on the reinsurance programme. The experience refund amounts are calculated based on the individual treaty provisions and the balance payable as at 31 December 2023 was €29.1million (2022: €27.2million). There is no difference in the valuation methods between the regulatory balance sheet and the Financial Statements.

D.3.3 Reinsurance Payables

The reinsurance amounts payable comprised of the following:

	2023	2022
	€M	€M
Amounts due to reinsurers	507.8	458.3
Funds withheld liabilities	156.0	111.9
	<u>663.8</u>	<u>570.2</u>

The reinsurance payables are valued at fair value and due to the short-term nature of the receivable no adjustments to valuation are required.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements.

D.3.4 Payables (trade, not insurance)

Payables (trade, not insurance) comprises of the following amounts:

	2023	2022
	€'M	€'M
Taxation including social security	2.3	1.7
Investment settlements	5.6	5.1
Accrued expenses and employee benefits payable	24.4	18.3
	<u>32.3</u>	<u>25.1</u>

The amounts are valued at fair value and due to the short-term nature of the receivable no adjustments to valuation are required.

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements.

D.3.5 Subordinate Loan

There is no difference in the carrying value between the regulatory balance sheet and the Financial Statements which was €116.0million (2022: €116.0million).

D.3.6 Off-Balance Sheet Items - Ancillary Own Funds

In November 2022, the Central Bank of Ireland approved the Company's application for approval of a €100m Loan Facility Agreement to be provided by RGA Americas Reinsurance Company Ltd.

For the purposes of the regulatory balance sheet, Tier 2 Ancillary Own Funds are recognized with respect to any committed but undrawn subordinated loan capital. Upon drawdown by the Company of any or all of the committed amount, RGA Americas will provide subordinated debt that would then qualify as Tier 1 Basic Own Funds.

For the purposes of the Financial Statements, any committed but undrawn subordinated loan capital is an off-balance sheet item. Upon drawdown by the Company of any or all of the committed amount, the amount so provided by RGA Americas would be reported as a subordinated loan, as per the existing €116m subordinated debt.

D.3.7 Financial liabilities other than debts owed to credit institutions

As part of Solvency II reporting, leases are required to be recognised in accordance with IFRS 16. The Company prepares its Financial Statement under FRS102 and has not chosen to adopt IFRS16. Hence, the lease liability in the amount of €2.1million (2022: €3.1million) is the only difference in the carrying value of financial liabilities other than debts owed to credit institutions the regulatory balance sheet and the Financial Statements.

D.4 Alternative methods for valuation

There are no other methods for valuation to note.

D.5 Any other information

D.5.1 Contingent liabilities

The Company has made non-cancellable contractual commitments for the rental of its offices.

These amounts are not recognised as a liability on the FRS102 Balance Sheet.

These commitments are as follows:

	2023	2022
	€'M	€'M
Within one year	0.8	1.0
Between one and five years	1.4	1.8
After five years	0.4	0.7
	<u>2.6</u>	<u>3.5</u>

E – Capital Management

E.1 Own funds

E.1.1 Objectives

The Company's eligible Own Funds and ratio of eligible Own Funds to the Solvency Capital Requirement ("SCR") and Minimum Capital Requirement ("MCR") are shown below.

	2023	2022
Solvency Ratio	€'M	€'M
Eligible Own funds	1,159.0	1,140.1
Solvency Capital Requirement (SCR)	609.1	591.1
Solvency Ratio	190%	193%

	2023	2022
Minimum Solvency Ratio	€'M	€'M
Eligible Own funds	1,059.0	1,040.1
Minimum Capital Requirement (MCR)	154.9	147.8
Minimum Solvency Ratio	683%	704%

The Company's Own Funds, SCR and MCR have changed due to new business, changes in business flows, changes in economic conditions and changes in valuation assumptions in 2023.

The objectives of the Company are to maintain enough Own Funds to cover the SCR and MCR with an appropriate buffer set by the Board. Most of the surplus capital in the Company is invested in fixed income securities.

The available Own Funds are of sufficient quality to meet the eligibility requirements in Article 82 of the Delegated Acts.

The Senior Management of the Company ensure that there is continuous compliance with the Solvency Requirement. The regulatory capital position and a projection of future capital positions is prepared on a quarterly basis and is reviewed by the Audit Committee of the Board.

During the ORSA process, the Company prepares ongoing annual solvency projections and reviews the structure of Own Funds and future capital requirements. The business plan contains a three-year projection of funding requirements. This process helps focus actions for future funding.

With the exception of Ancillary Own Funds (discussed earlier in this document), there were no material changes in the objectives, policies and processes employed by the Company for managing its Own Funds during the period.

E.1.2 Tiering of Own Funds.

The Company's eligible Own Funds were €1,159million (2022: €1,140.1million).

There funds were classified as follows:

	2023	2022
	€'M	€'M
Tier 1 - Unrestricted		
Allotted, Called Up and Fully Paid Share Capital	0.9	0.9
Additional Capital Contributions	241.3	241.3
Share Premium	105.6	105.6
Reconciliation Reserve	595.2	576.3
Excess of Assets over Liabilities	943.0	924.1
Tier 1 - Restricted		
Subordinated Loan Note	116.0	116.0
Tier 2 - Ancillary Own Funds	100.0	100.0
Total Eligible Own Funds to meet SCR	1,159.0	1,140.1

Reconciliation Reserve

The reconciliation reserve increased by €18.9million during the year. This increase was a result of the Company market impacts on the valuation the assets and liabilities; the acquisitions of annuities in payment and underwriting experience.

Tier 1 Restricted

The Company has issued a subordinated loan note of €116million (2022: €116million) to RGA Americas. The original €90m loan was received in October 2015 and this was further increased by €26 million in June 2021.

Tier 2

Within the Tier 2 Own Funds is an Ancillary Own Funds (AOF) item approved by the Central Bank of Ireland in November 2023. The material terms and conditions of the Tier 2 AOF are as follows:

Counterparty	RGA Americas Reinsurance Company, Ltd. (Bermuda)
Nature of the commitment	RGA Americas and RGA International Re have entered into a legally binding Loan Facility Agreement.
Amount	RGA Americas commits to providing up to €100m to the Company in subordinated debt, an amount that can be drawn down in part or in full by the Company at any time during the term of the Loan Facility Agreement.
Term	The facility has a term of ten years initially, with the ability to renew every five years thereafter on mutual agreement between the Company and RGA Americas, and with the prior application to, and approval of, the Central Bank of Ireland and Bermuda Monetary Authority, as required. Once paid-in, the subordinated debt is perpetual.

Upon drawdown of these Ancillary Own Funds, RGA Americas will provide subordinated debt that will qualify as Tier 1 Basic Own Funds.

Eligible Own Funds

	2023	2023	2023	2023
	€'M	€'M	€'M	€'M
	Total	Tier 1	Tier 1	Tier 2
		Unrestricted	Restricted	
Total available own funds to meet the SCR	1,159.0	943.0	116.0	100.0
Total available own funds to meet the MCR	1,059.0	943.0	116.0	-

	2022	2022	2022	2022
	€'M	€'M	€'M	€'M
	Total	Tier 1	Tier 1	Tier 2
		Unrestricted	Restricted	
Total available own funds to meet the SCR	1,140.1	924.1	116.0	100.0
Total available own funds to meet the MCR	1,040.1	924.1	116.0	-

E.1.3 Reconciliation to the Company's Shareholder Funds disclosed in the Financial Statements

	2023	2022
	€'M	€'M
Shareholder's funds per the Financial Statements	651.1	409.8
Subordinated loan	116.0	116.0
Ancillary Own Funds	100.0	100.0
Commercial Mortgage Loans different valuation methodology	(17.0)	(18.6)
Add the reduction in gross technical provisions	1,915.5	2,120.0
Less deferred acquisition costs	(180.2)	(106.5)
Less reduction in amounts recoverable from the reinsurer	(1,357.5)	(1,348.5)
Change in deferred taxes	(68.9)	(132.1)
Total Eligible Own Funds to meet SCR	<u>1,159.0</u>	<u>1,140.1</u>

The movement in Shareholder's funds per the Financial Statements was mainly driven by the market value of the Company's investments due to a change in long term interest rates. This loss was partially offset by changes in unrealised deferred tax and the change in accumulated currency transaction adjustments.

E.2 Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR)

The Company has adopted the Solvency II Standard Formula in calculating its Solvency Capital Requirement ("SCR").

E.2.1 Solvency Capital Requirement (SCR)

Total Company SCR

The Company's total SCR as at 31 December 2023 was €609.1million (2022: €591.1million). The following table shows the breakdown of the SCR:

	2023	2022
	€'M	€'M
Basic Solvency Capital Requirement		
Market risk	418.1	385.5
Counterparty default risk	35.1	22.8
Life underwriting risk	372.2	371.6
Health underwriting risk	68.4	61.5
Non-life underwriting risk	13.1	11.0
Diversification	(241.6)	(221.8)
Total Basic Solvency Capital Requirement	665.2	630.7
Operational risk	53.0	52.0
Adjustment due to ring fenced funds		
Loss absorbing capacity of technical provisions	(11.3)	(10.4)
Loss absorbing capacity of deferred taxes	(97.9)	(81.2)
Total Solvency Capital Requirement (SCR)	609.1	591.1

The SCR has increased since the previous year-end. The main drivers have been increases in the Market SCR and in the Loss Absorbing Capacity of Deferred Taxes. This is driven by an increase in the Currency Risk SCR for GBP-denominated business and changes in the deferred tax liability for the UK Branch, both due to volume movements.

Singapore Branch

The Singapore Branch is also regulated by the Monetary Authority of Singapore (MAS). The MAS has different capital requirements to Solvency II, known as Risk Based Capital – RBC. The Capital Adequacy Ratio (CAR) of the Singapore Branch as at 31 December 2023 was 1,499% (2022: 1,338%).

E.2.2 Minimum Capital Requirement (MCR)

The Company's MCR at the 31 December 2023 was €154.9million (2022: €147.8million).

The calculation of the MCR is as follows:

	2023	2022
	€'M	€'M
Linear MCR	154.9	138.9
SCR	609.1	591.1
MCR cap (45% of SCR)	274.1	266.0
MCR floor (25% of SCR)	152.3	147.8
Combined MCR	154.9	147.8
Absolute floor of the MCR	3.9	4.0
Minimum Capital Requirement	154.9	147.8

The updated MCR is calculated using the Linear Formula, using the Solvency II Standard Formula. The increase from the prior year-end is due to increases in the Technical Provisions and Amount at Risk, driven by volume changes. based on the Solvency II Standard Formula.

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

The Company does not have equity risk exposure and does not use the duration-based equity risk sub-module.

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

The Company uses the standard formula to calculate the SCR.

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

The Company was continuously compliant with both the Minimum Capital Requirement and Solvency Capital Requirement during the year.

E.6 Any other information

No other items to note.

Appendix – Quantitative Reporting Templates (QRTs)

The following QRTs were part of the Annual Return submitted to the Central bank of Ireland for the year ended 31 December 2023; all figures shown in the templates are in EUR thousands.

RGA International

Solvency and Financial Condition Report

Disclosures

31 December

2023

(Monetary amounts in EUR thousands)

General information

Undertaking name	RGA International Reinsurance Company dac
Undertaking identification code	01TRDHWDCCL69YP41S025
Type of code of undertaking	LEI
Type of undertaking	Reinsurance undertakings
Country of authorisation	IE
Language of reporting	en
Reporting reference date	31 December 2023
Currency used for reporting	EUR
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

- S.02.01.02 - Balance sheet
- S.04.05.21 - Premiums, claims and expenses by country: Life insurance and reinsurance obligations
- S.04.05.21 - Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations
- S.05.01.02 - Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations
- S.05.01.02 - Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.17.01.02 - Non-Life Technical Provisions
- S.19.01.21 - Non-Life insurance claims
- S.23.01.01 - Own Funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	22,569
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	4,103
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	3,752,313
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	3,715,247
R0140	<i>Government Bonds</i>	307,184
R0150	<i>Corporate Bonds</i>	3,316,067
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	91,996
R0180	<i>Collective Investments Undertakings</i>	37,066
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	143,628
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	143,628
R0270	Reinsurance recoverables from:	802,152
R0280	<i>Non-life and health similar to non-life</i>	67,012
R0290	<i>Non-life excluding health</i>	67,012
R0300	<i>Health similar to non-life</i>	0
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	735,140
R0320	<i>Health similar to life</i>	163,561
R0330	<i>Life excluding health and index-linked and unit-linked</i>	571,579
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	244,153
R0360	Insurance and intermediaries receivables	556,938
R0370	Reinsurance receivables	609,349
R0380	Receivables (trade, not insurance)	15,283
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	92,815
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	6,243,304

S.02.01.02

Balance sheet

		Solvency II value
		C0010
Liabilities		
R0510	Technical provisions - non-life	88,607
R0520	<i>Technical provisions - non-life (excluding health)</i>	88,607
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	86,697
R0550	<i>Risk margin</i>	1,910
R0560	<i>Technical provisions - health (similar to non-life)</i>	0
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	0
R0590	<i>Risk margin</i>	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	3,673,591
R0610	<i>Technical provisions - health (similar to life)</i>	182,347
R0620	<i>TP calculated as a whole</i>	0
R0630	<i>Best Estimate</i>	128,401
R0640	<i>Risk margin</i>	53,947
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	3,491,244
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	3,164,214
R0680	<i>Risk margin</i>	327,030
R0690	Technical provisions - index-linked and unit-linked	0
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	112,139
R0790	Derivatives	
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	2,196
R0820	Insurance & intermediaries payables	611,701
R0830	Reinsurance payables	663,785
R0840	Payables (trade, not insurance)	32,280
R0850	Subordinated liabilities	116,000
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	116,000
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	5,300,298
R1000	Excess of assets over liabilities	943,005

S.04.05.21

Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

R0010

Home Country	Top 5 countries (by amount of gross premiums written): non-life					
	IT	SG				
	C0010	C0020	C0021	C0022	C0023	C0024
Premiums written (gross)						
R0020 Gross Written Premium (direct)						
R0021 Gross Written Premium (proportional reinsurance)	0	58,126	219	0	0	0
R0022 Gross Written Premium (non-proportional reinsurance)						
Premiums earned (gross)						
R0030 Gross Earned Premium (direct)						
R0031 Gross Earned Premium (proportional reinsurance)	0	58,126	219	0	0	0
R0032 Gross Earned Premium (non-proportional reinsurance)						
Claims incurred (gross)						
R0040 Claims incurred (direct)						
R0041 Claims incurred (proportional reinsurance)	0	21,093	242	0	0	0
R0042 Claims incurred (non-proportional reinsurance)						
Expenses incurred (gross)						
R0050 Gross Expenses Incurred (direct)						
R0051 Gross Expenses Incurred (proportional reinsurance)	0	24,830	0	0	0	0
R0052 Gross Expenses Incurred (non-proportional reinsurance)						

S.04.05.21

Premiums, claims and expenses by country: Life insurance and reinsurance obligations

Home Country	Top 5 countries (by amount of gross premiums written): life and health SLT					
	GB	IT	SG	NL	FR	
	C0030	C0040	C0041	C0042	C0043	C0044
R1020 Gross Written Premium	97,542	627,180	173,733	139,604	119,278	64,166
R1030 Gross Earned Premium	97,034	626,701	176,015	139,573	118,472	64,166
R1040 Claims incurred	79,089	808,492	137,448	80,279	84,646	25,628
R1050 Gross Expenses Incurred	985	-6,738	-2,358	2,021	12,150	17,224

S.05.01.02

Premiums, claims and expenses by line of business: Non-life insurance and reinsurance obligations

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)													Line of business for: accepted non-proportional reinsurance				Total
Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property		
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200	
Premiums written																	
R0110	Gross - Direct Business															0	
R0120	Gross - Proportional reinsurance accepted															58,345	
R0130	Gross - Non-proportional reinsurance accepted															0	
R0140	Reinsurers' share															25,358	
R0200	Net															32,986	
Premiums earned																	
R0210	Gross - Direct Business															0	
R0220	Gross - Proportional reinsurance accepted															58,345	
R0230	Gross - Non-proportional reinsurance accepted															0	
R0240	Reinsurers' share															25,358	
R0300	Net															32,986	
Claims incurred																	
R0310	Gross - Direct Business															0	
R0320	Gross - Proportional reinsurance accepted															21,335	
R0330	Gross - Non-proportional reinsurance accepted															0	
R0340	Reinsurers' share															17,105	
R0400	Net															4,231	
R0550	Expenses incurred															26,931	
R1210	Balance - other technical expenses/income															0	
R1300	Total technical expenses															26,931	

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

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								
R1410	Gross					258,223	1,024,820	1,283,043
R1420	Reinsurers' share					169,518	1,041,267	1,210,785
R1500	Net					88,705	-16,447	72,258
Premiums earned								
R1510	Gross					256,175	1,025,978	1,282,152
R1520	Reinsurers' share					168,017	1,042,193	1,210,210
R1600	Net					88,158	-16,216	71,942
Claims incurred								
R1610	Gross					169,231	1,085,482	1,254,713
R1620	Reinsurers' share					155,673	955,214	1,110,887
R1700	Net					13,558	130,267	143,826
R1900	Expenses incurred					48,648	-3,208	45,440
R2510	Balance - other technical expenses/income							
R2600	Total technical expenses							45,440
R2700	Total amount of surrenders					161	1,234	1,395

S.12.01.02
Life and Health SLT Technical Provisions

	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, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
	Insurance with profit participation	Contracts without options and guarantees	Contracts with options or guarantees		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	C0160	C0170	C0180	C0190	C0200	C0210	
R0010 Technical provisions calculated as a whole									0	0					0	0	
R0020 Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole									0	0					0	0	
Technical provisions calculated as a sum of BE and RM																	
Best estimate																	
R0030 Gross Best Estimate									3,164,214	3,164,214					128,401	128,401	
R0080 Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default									571,579	571,579					163,561	163,561	
R0090 Best estimate minus recoverables from reinsurance/SPV and Finite Re									2,592,634	2,592,634					-35,160	-35,160	
R0100 Risk margin									327,030	327,030					53,947	53,947	
R0200 Technical provisions - total									3,491,244	3,491,244					182,347	182,347	

S.23.01.01
Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above
R0220	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
R0230	Deductions for participations in financial and credit institutions
R0290	Total basic own funds after deductions

Ancillary own funds

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Available and eligible own funds

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

Reconciliation reserve

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

Expected profits

R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
944	944		0	
105,532	105,532		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
595,199	595,199			
116,000		116,000	0	0
0				
241,331	241,331	0	0	0
0				
0	0	0	0	
1,059,005	943,005	116,000	0	0

0				
0				
0				
100,000			100,000	
0				
0				
0				
0				
0				
100,000			100,000	0

1,159,005	943,005	116,000	100,000	0
1,059,005	943,005	116,000	0	
1,159,005	943,005	116,000	100,000	0
1,059,005	943,005	116,000	0	

609,081
154,944
190.29%
683.48%

C0060
943,005
0
0
347,806
0
595,199

332,815
125
332,940

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010 Market risk	418,127		
R0020 Counterparty default risk	35,064		
R0030 Life underwriting risk	372,196		
R0040 Health underwriting risk	68,389		
R0050 Non-life underwriting risk	13,081		
R0060 Diversification	-241,633		
R0070 Intangible asset risk	0		
R0100 Basic Solvency Capital Requirement	665,225		
Calculation of Solvency Capital Requirement			
R0130 Operational risk	53,035		
R0140 Loss-absorbing capacity of technical provisions	-11,253		
R0150 Loss-absorbing capacity of deferred taxes	-97,926		
R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		
R0200 Solvency Capital Requirement excluding capital add-on	609,081		
R0210 Capital add-ons already set	0		
R0211 <i>of which, capital add-ons already set - Article 37 (1) Type a</i>	0		
R0212 <i>of which, capital add-ons already set - Article 37 (1) Type b</i>	0		
R0213 <i>of which, capital add-ons already set - Article 37 (1) Type c</i>	0		
R0214 <i>of which, capital add-ons already set - Article 37 (1) Type d</i>	0		
R0220 Solvency capital requirement	609,081		
Other information on SCR			
R0400 Capital requirement for duration-based equity risk sub-module	0		
R0410 Total amount of Notional Solvency Capital Requirements for remaining part	0		
R0420 Total amount of Notional Solvency Capital Requirements for ring fenced funds	0		
R0430 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0		
R0440 Diversification effects due to RFF nSCR aggregation for article 304	0		
Approach to tax rate			
R0590 Approach based on average tax rate		No	
Calculation of loss absorbing capacity of deferred taxes			
R0640 LAC DT			
R0650 LAC DT justified by reversion of deferred tax liabilities			
R0660 LAC DT justified by reference to probable future taxable economic profit			
R0670 LAC DT justified by carry back, current year			
R0680 LAC DT justified by carry back, future years			
R0690 Maximum LAC DT			

USP Key

For life underwriting risk:
 1 - Increase in the amount of annuity benefits
 9 - None

For health underwriting risk:
 1 - Increase in the amount of annuity benefits
 2 - Standard deviation for NSLT health premium risk
 3 - Standard deviation for NSLT health gross premium risk
 4 - Adjustment factor for non-proportional reinsurance
 5 - Standard deviation for NSLT health reserve risk
 9 - None

For non-life underwriting risk:
 4 - Adjustment factor for non-proportional reinsurance
 6 - Standard deviation for non-life premium risk
 7 - Standard deviation for non-life gross premium risk
 8 - Standard deviation for non-life reserve risk
 9 - None

Yes/No

C0109

No

LAC DT

C0130

-97,926

-97,926

0

0

0

-171,625

S.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

7,686

- R0020 Medical expense insurance and proportional reinsurance
- R0030 Income protection insurance and proportional reinsurance
- R0040 Workers' compensation insurance and proportional reinsurance
- R0050 Motor vehicle liability insurance and proportional reinsurance
- R0060 Other motor insurance and proportional reinsurance
- R0070 Marine, aviation and transport insurance and proportional reinsurance
- R0080 Fire and other damage to property insurance and proportional reinsurance
- R0090 General liability insurance and proportional reinsurance
- R0100 Credit and suretyship insurance and proportional reinsurance
- R0110 Legal expenses insurance and proportional reinsurance
- R0120 Assistance and proportional reinsurance
- R0130 Miscellaneous financial loss insurance and proportional reinsurance
- R0140 Non-proportional health reinsurance
- R0150 Non-proportional casualty reinsurance
- R0160 Non-proportional marine, aviation and transport reinsurance
- R0170 Non-proportional property reinsurance

Net (of reinsurance /SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
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C0020

C0030

0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
19,686	32,986
0	
0	
0	
0	

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

147,258

- R0210 Obligations with profit participation - guaranteed benefits
- R0220 Obligations with profit participation - future discretionary benefits
- R0230 Index-linked and unit-linked insurance obligations
- R0240 Other life (re)insurance and health (re)insurance obligations
- R0250 Total capital at risk for all life (re)insurance obligations

Net (of reinsurance /SPV) best estimate and TP calculated as a whole	Net (of reinsurance /SPV) total capital at risk
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C0050

C0060

2,557,474	
	133,644,800

Overall MCR calculation

- R0300 Linear MCR
- R0310 SCR
- R0320 MCR cap
- R0330 MCR floor
- R0340 Combined MCR
- R0350 Absolute floor of the MCR
- R0400 Minimum Capital Requirement

C0070

154,944
609,081
274,086
152,270
154,944
3,900
154,944