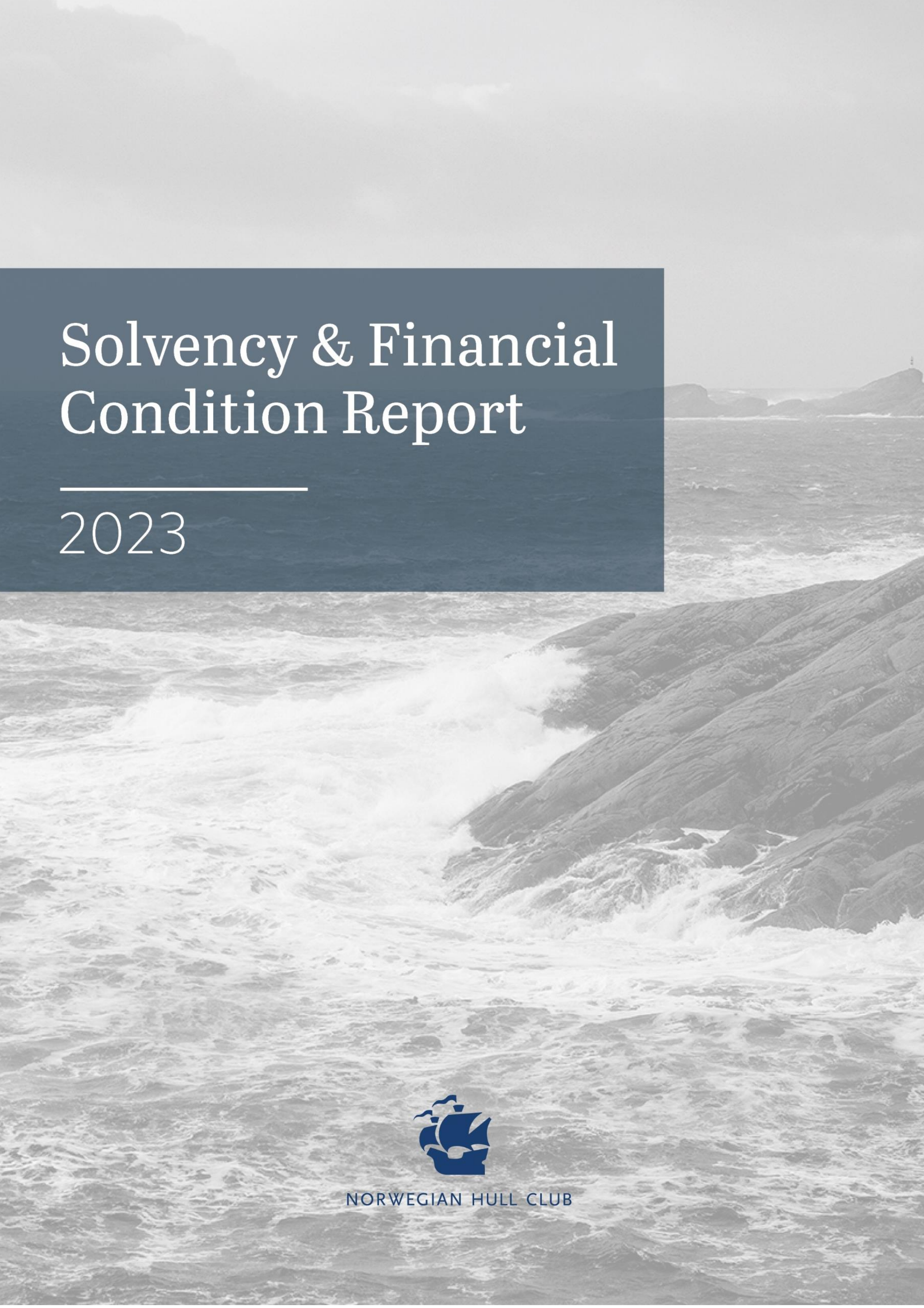
Solvency & Financial Condition Report

2023



NORWEGIAN HULL CLUB

Contents

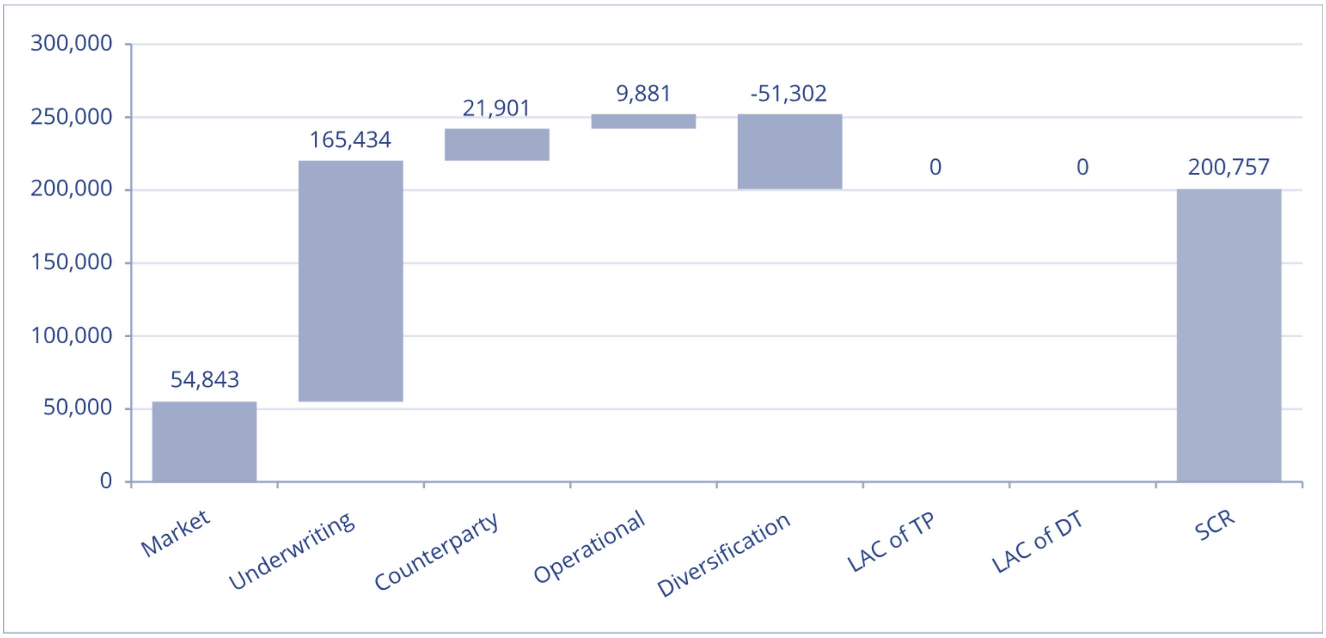
Summary

Norwegian Hull Club (NHC) is a mutual insurance undertaking writing global marine and medical expense insurance. The 2023 earned gross premium was 316 million USD, a 2 % decline from the previous year. The decline is mainly due to decline in premiums from War and P&I insurance, but at the same time an increase in premiums from growth in new segments such as Offshore Windfarms. The operating result technical accounts was 13 million USD.

The below table summarize the solvency conditions in terms of Solvency Capital Requirement (SCR), Minimum Capital Requirement (MCR) and Own Funds in USD 1000[1].

	2023		2022	
	SCR	MCR	SCR	MCR
Eligible Own Funds	536 348	435 970	499 243	401 471
Capital Requirement	200 757	62 029	195 543	60 672
Difference	335 591	373 941	303 700	340 799
Ratio	267 %	703 %	255 %	662 %

The chart below displays how the Solvency Capital Requirement (SCR) is built up:



[1] Any figures reflecting monetary amounts in the SFCR report are expressed in thousands of units USD.

A Business and Performance

A.1 Business

NHC is a mutual marine insurance company writing marine and medical insurance. Clients writing hull insurance on a mutual basis are owners, referred to as members. Members are owners and managers of insured units.

Principal Address: Solheimsgaten 5
5058 Bergen
Norway

Details regarding supervisory authorities and external auditor:

Name	Function	Entity
Financial Supervisory Authority of Norway **Revierstredet 3, 0151 Oslo** **E-mail: post@finanstilsynet.no** **Phone: +47 22 93 98 00**	Regulator	Norwegian Hull Club – Gjensidig Assuranseforening
Bank of England, Prudential Regulation Authority **20 Moorgate, London. EC2R 6DA** **E-mail: pra.firmenquiries@bankofEngland.co.uk** **Phone: +44 (0) 20 3461 7000**	Regulator	UK Branch
Deloitte **Lars Hilles gate 30, 5008 Bergen** **E-mail: umoe@deloitte.no** **Phone: +47 55 21 81 00**	External Auditor	Norwegian Hull Club – Gjensidig Assuranseforening

The largest members have less than 10 % ownership and there are thus no holders of qualifying holdings in the undertaking.

NHC writes a global book of Hull & Machinery, Loss of Hire, Increased Value, War, yachts, Builders risk covers, Energy (fixed and floating) insurance -operation and construction. Marine and Energy insurance is placed and written globally, mainly through brokers. A major part of the business is with international clients.

NHC has 4 %[2] market share of global hull market. The Nordic market has its own conditions (http://www.nordicplan.org/), in which the role as claims leader is distinctive and important. NHC has long experience as claims leader, and this role is an important part of its service offering.

NHC has a branch office in London, writing business produced by London brokers as well as maintaining the existing business relationships.

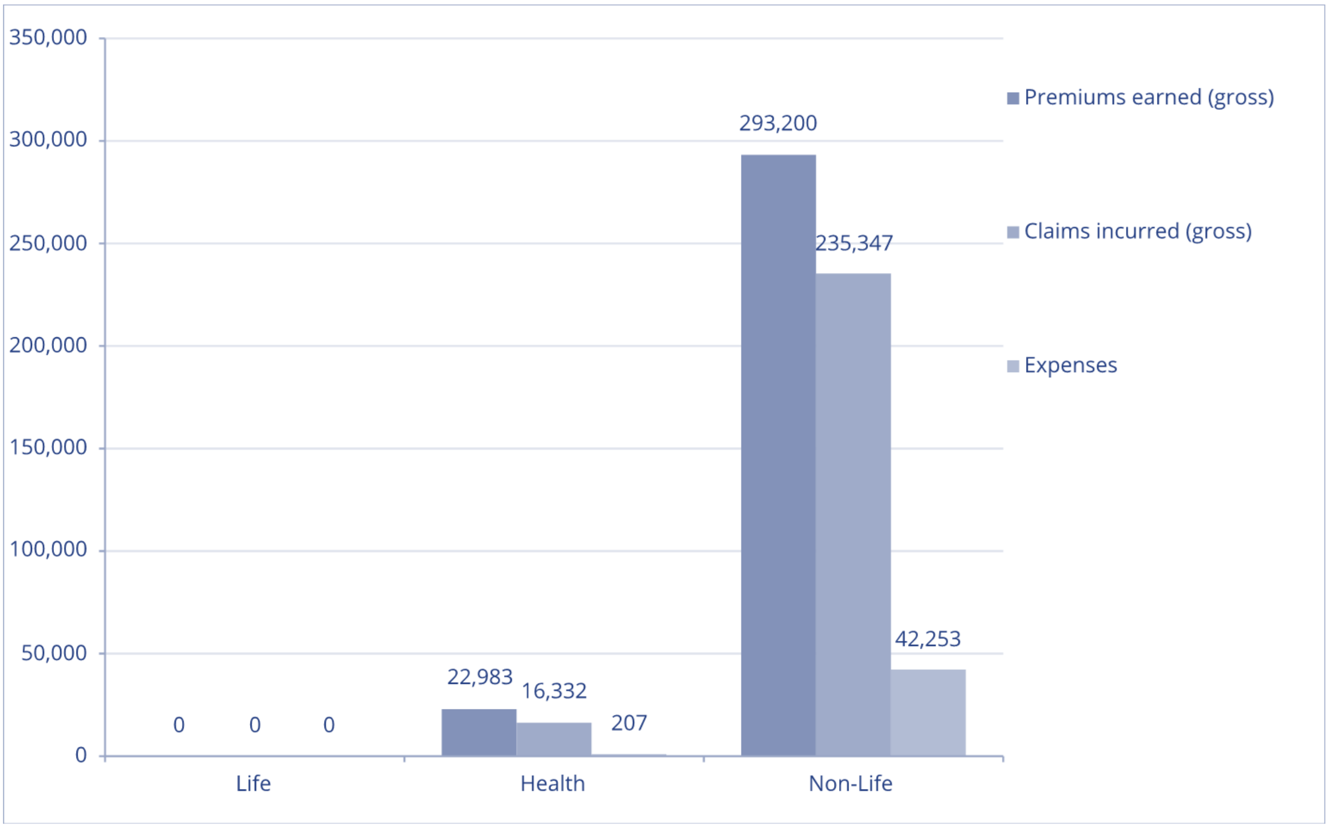
Legal structure
NHC has three subsidiaries (100 % owned) located in Bergen: Insurance Technology Solutions AS, Marine Benefits AS and NIORD AS. NHC has also a participation in Olav Kyrres gate 11 AS with a 33 % share. Information regarding subsidiaries and associated company`s results can be found from the Annual Report note 4. NIORD AS is an agent providing Offshore renewables insurance. From 2024 NHC's renewable portfolio will be written through this agent.

[2] 2022 figure

A.2 Underwriting Performance

NHC has had a strong underwriting performance reflecting its focus on underwriting profit through comprehensive Client Risks Assessment models. The underwriting performance during the past four years has been above expected performance.

Gross premiums earned, claims incurred and expenses per LoB:



A.2.1 Non-Life underwriting

Non-Life underwriting performance is shown in the table below. The underwriting performance was above internal targets.

Premiums, claims and expenses	2023	2022
Non-Life		
Premiums earned (gross)	293,200	305,069
Claims incurred (gross)	235,347	217,725
Expenses	42,253	44,704

A.2.2 Health underwriting

Health underwriting performance is shown in the table below. The health portfolio is limited to Medical Expense Insurance for seafarers.

Premiums, claims and expenses	2023	2022
Health		
Premiums earned (gross)	22,983	18,589
Claims incurred (gross)	16,332	13,889
Expenses	207	190

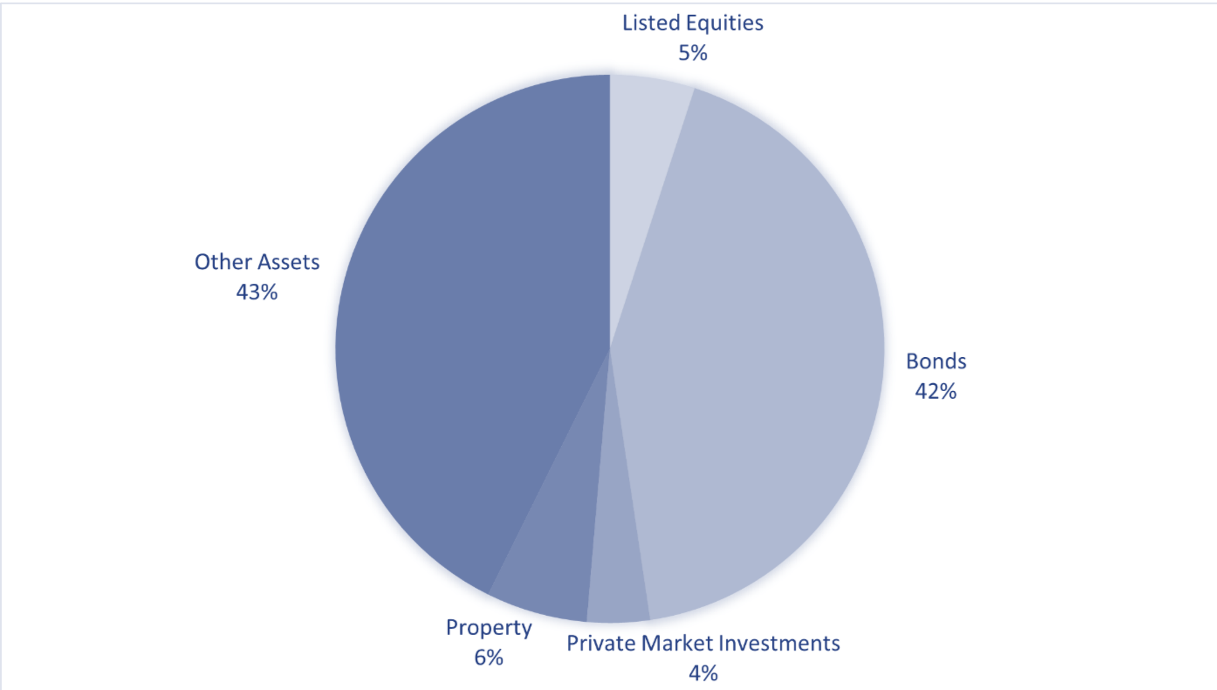
A.2.3 Life underwriting

NHC does not write life insurance.

A.3 Investment Performance

A.3.1 Investments held

The chart below visualises the relative distribution of the investments by material asset class. "Other Assets" are investments through investment funds.



A.3.2 Gains and losses

The investment portfolio returned 5.2 % in 2023. The U.S. Dollar return was USD 31.8 million, including foreign exchange hedges. In addition, interest earned on bank deposits amounted to 8.1 million. The total financial income for 2023 amounted to 39.9 million.

NHC's fixed-income portfolio posted positive returns in 2023. Central banks hiking interest rates in 2022 lifted bond yields and widened credit spreads significantly heading into the year. These higher interest rates made the outlook for fixed-income returns promising in 2023. The high all-in interest rates, combined with a contraction in credit spreads throughout the year, translated into healthy returns in most fixed-income sectors, especially in low rated, long-dated credits.

Both public and private equity investments had positive returns in 2023. Public equities performed strongly and significantly outperformed private equities in 2023.

The below table summarizes the total financial income, including the investment portfolio return per asset class.

Gains and losses in the period (2023)	Dividends	Interest	Rent	Net gains/losses	Unrealised gains/losses
Bonds	0	9,073	0	-7,137	16,859
Equity	0	0	0	0	0
Other Investments	0	1,709	0	1,806	6,599
Cash and deposits	0	7,813	0	-3,285	1,600
Mortgages and loans	0	817	0	0	-8
Property	0	0	0	0	0
Derivatives	0	0	0	-223	4,282
Total	0	19,412	0	-8,839	29,331

A.3.3 Securitisation investments

NHC has no material investments in securitisations.

A.4 Performance of other activities

There have been no other significant activities than insurance and related activities. Income related to claims handling is reported as "Other insurance related income" in the annual accounts and amounts to 8,5 MUSD.

A.5 Any other information

There is no other material information to be disclosed.

B System of governance

NHC is located in Norway and is subject to Norwegian legislation and is under supervision of the Financial Supervisory Authority of Norway. NHC UK Branch is located in London and under supervision of Bank of England, Prudential Regulation Authority.

B.1 General information on the system of governance

NHC's Board of Directors (Board) carry the responsibility for the oversight of the business and set its strategy and risk appetite. The Board sits with a minimum of five and a maximum of ten members. The Board decides whether the entire Board shall serve as audit and risk committee, or whether the committees shall be elected by and from the members of the Board. NHC is committed to high standards of corporate governance and has established the following corporate governance structure.

General Meeting
Members of NHC, clients that write business on a mutual basis, vote at the general meeting according to the Norwegian Limited Companies Act § 5-2, cf. Norwegian Financial Institutions § 8.1-8.3. Members have votes according to the member`s share of the NHC`s mutual earned premium in the preceding calendar year. Joint Members have together as many votes as if the insurance agreement had been entered into by one member. The right to vote on behalf of the Joint Members shall be vested in the member named first in the insurance agreement.

Committee
The Committee elects the Board and the Election Committee, recommends annual accounts to the General Meeting and supervises the Board and management. The members of the Committee are elected from the members, i.e. the owners, of NHC.

Board of Directors
The Board is responsible for setting out the strategy, including risk tolerance, and generally overseeing the daily management of the NHC. Up to two members of the Board can be independent; the others represent members of NHC. The Board has audit, risk and compensation sub-committees. The Chair of the Audit Committee is independent of NHC.

Audit Committee
The Audit Committee is a subcommittee of the Board. Its responsibility is to discuss significant accounting issues with management and the external auditor and to assess procedures adopted for preparing the accounts. The Audit Committee shall further assess the independence of the external auditor, discuss audit issues with external and internal auditor, assess the auditors' work and make recommendation to the Board regarding election of external and internal auditors.

Risk Committee
The Risk Committee is a subcommittee of the Board. It is responsible for supervising NHC's total risk and regularly considers if the management and control systems are adapted to the risk level and scope of operations. The Risk Committee shall further regularly consider the continuous compliance with capital requirements and requirements for technical insurance provisions, as well as the appropriateness of the risk management system. The Risk Committee shall follow up the key functions; actuary, compliance and risk management. These functions also report directly to the Board.

Compensation Committee
The Compensation Committee is also a subcommittee of the Board and makes recommendations to the Board regarding the compensation of the Chief Executive Officer as well as the structure of general compensation, including compensation for the management team.

Election Committee
The Election Committee makes recommendations on candidates for the various governing bodies. The
Election Committee shall have a minimum of five members. At least one member shall have served on the Board of Directors during the last five years.

According to the instructions for the Election Committee, the Chair and Deputy Chair of the Committee, members of the Board and members of the Election Committee shall in general not be re-elected after ten years of service.

Key Functions
NHC has established four key independent control functions required under the Solvency II Directive - risk management, compliance, actuarial and internal audit. These key functions are overviewing and monitoring the risk in the company.

Remuneration
NHC's remuneration policy is adopted by the Board on an annual basis.
The variable remuneration scheme is split in two, where part one is collective and allocated among all employees and part two is individual and remuneration is based on individual and department performance according to set KPIs.

Material transaction with stakeholders
As a mutual insurance company NHC will, by definition enter into commercial agreements with member owners and with members of the Board of Directors. None of these transactions are considered material in relation to NHC's business volume.

B.2 Fit and proper requirements

The fit and proper requirements apply for the following positions in NHC:

- Members of the Board of Directors
- Members of Top Management Group (TMG)
- Key Functions: Risk Management, Compliance, Actuarial function and internal auditor
- Other key personnel: Head of Reinsurance, Business Intelligence Director and Anti-Money Laundering Officer
- Head of UK Branch

For the Board, the requirements for professional know-how and experience (Fit) apply to the Board as a group. This implies that collectively, the Board shall have sufficient knowledge and experience in the key areas of operation for an insurance undertaking such as insurance, reinsurance, investments, risk management and marketing as well as regulatory frameworks, requirements and expectations.

For TMG, key personnel and the Head of the UK Branch, the requirements for professional know-how and experience (Fit) apply to each person individually, and in relation to his/her specific area of responsibility. The following skills, knowledge and expertise are emphasized: market knowledge, business strategies and models, insurance, reinsurance, risk management, accounting, finance, investment, actuarial analysis and regulatory framework and requirements.

Fit and proper requirements will be subject to subjective assessment. An assessment of "Proper" should include an assessment of that person's honesty and financial standing based on relevant evidence regarding their character, personal behavior and business conduct including any criminal, financial and supervisory aspects regardless of jurisdiction. Certificate of good conduct and aptitude assessment shall be presented to the HR department for assessment.

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

The foundation of the good internal governance is a risk management framework and associated delegations of authority to ensure the effective management and reporting of risks in the organisation.

B.3.1 Risk management system
In NHC the Board sets overall target, risk tolerance and risk appetite as part of the annual strategic planning. NHC will act in accordance with this risk appetite to achieve strategic objectives and to remain a prudent risk taker in order to safeguard the long-term interest of the Owners, Clients and Employees.

The Risk Committee is a sub-committee of the Board of NHC and shall serve as a body preparing issues for the Board and supporting them in its execution of its duties relating to risk management. The Risk Committee shall have the following responsibilities:

Supervise NHC’s total risk and they shall regularly consider if the management and risk management framework are adapted to the risk level and scope of the operations.

Assess in particular, if NHC has an appropriate risk management system in place. The assessment shall be based on the principles and policies adopted for risk management, including the stated risk appetite.

Regularly consider the risk profile, capital and total capital requirement in relation to risks that NHC could be exposed to in the short and long term.

Regularly consider the continuous compliance with capital requirements and requirements for technical insurance provisions. The Risk Committee shall consider any discrepancy between the risk profile and the assumptions made in calculating the solvency capital requirement.

The CEO is responsible for the risk management within limits defined annually by the Board in the Strategy, Financial Plan and Policy documents. Authority is delegated to heads of departments in accordance with these limits. Within the departments a system of authorities is defined and risk taking is always approved by at least two employees (four eyes principle). The CEO has established a Top Management Group (TMG). This group monitors the overall risk and discusses risk taking outside the authority of heads of department, controversial issues and risk taking that effect other departments. Final decisions are made by the CEO. Risk taking outside the limits set by the Board, or reallocation of the risk budget, can also be discussed with the purpose of suggesting changes in the strategy or other policy documents. The CEO has delegated the responsibility for risk management processes and follow-up to the Chief Financial Officer.

The Key Functions act as Second Line of defense and are overviewing and monitoring the risk in the company. NHC`s Key functions provide regular risk reporting to TMG and to Risk Committee/Board regarding the key risks.

The Risk Management Function is to facilitate the implementation of the Risk Management System and ensure that risk management is carried out in accordance with approved ambition levels and approved guidelines.

B.3.2 Own risk and solvency assessment

The main purpose of the Own Risk and Solvency Assessment (ORSA) process and report is to safeguard the short-term (1 year) solvency and long-term survival of NHC. In addition, the report can give insight into risk/reward to improve the profitability.

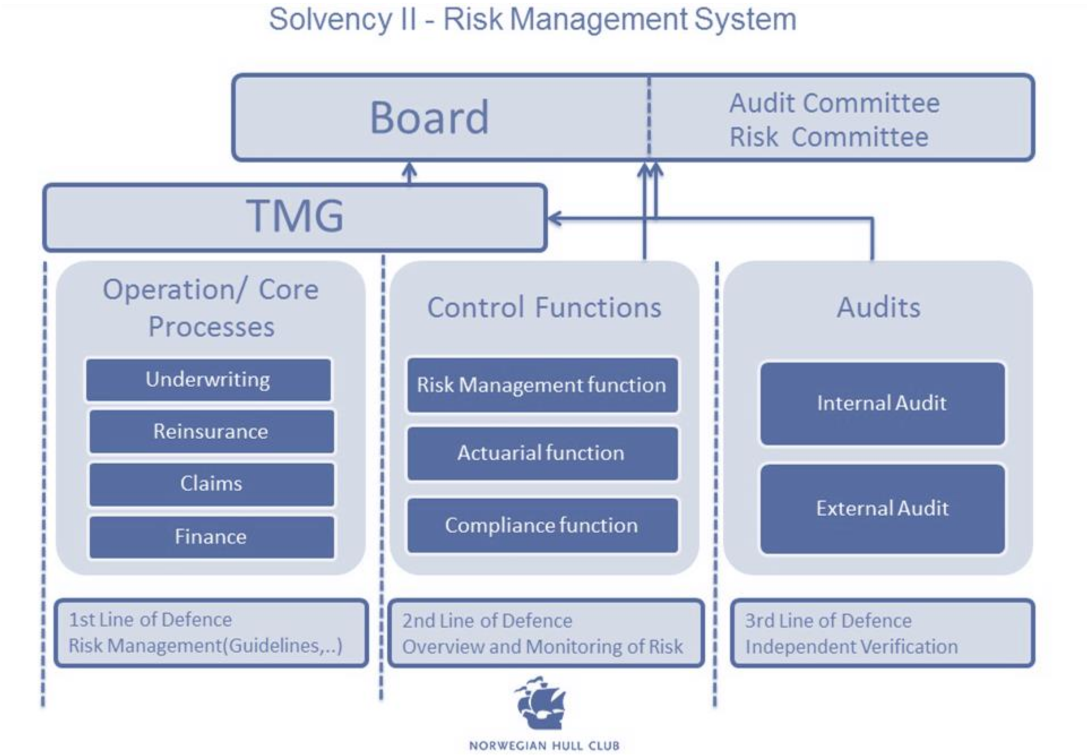
NHC produces an ORSA report at least once a year. Additional ORSAs shall be conducted whenever there are significant changes to the risk profile.

NHC has determined that the Solvency II standard formula shall be used to calculate the required solvency capital and to assess the overall solvency needs. In addition, quantitative analyses performed shall include:

- Stress test to evaluate the capital situation when the investment and insurance portfolio puts the balance sheet under pressure
- Scenario analyses of the insurance portfolio including varying premium volume, loss ratios and cost of reinsurance, performed at least annually
- Reverse stress testing
- Financial Plan
- Evaluation that the risk taking is in line with the risk appetite
- Analysis of timeseries of the individual risks
- Analysis of emerging risks including climate risk
- A one in 200 years scenario is to be used

B.4 Internal control system

NHC utilises the internal control system that comprises three lines of defence, comprising primary risk owners (first line), independent risk management and control functions (second line) and an independent internal and external audit (third line). This structure is consistent with NHC's risk management structure and the Board considers it appropriate to the management of risks in NHC.



Under the first line of defence, operational management has the ownership, responsibility and accountability for assessing, controlling, mitigating and reporting risks.

The second line of defence consists of activities covered by Risk Management, Actuarial and Compliance functions. This line of defence monitors and facilitates the implementation of an effective risk management system by operational management and assists the risk owners in reporting risk related information both to management and towards the organization.

Internal and external audit forms the organisation's third line of defence. An independent internal audit function will provide independent and objective reviews and assessments of NHC's business activities, operations, financial systems and internal controls. NHC is using a third party for internal audit function.

This framework enables the first line of defence to identify, assess and manage operational risks within their business units, establishes an appropriate level of oversight and challenge by the second and third lines, and enables appropriate measurement and reporting of operational risks and the NHC overall risk profile to the Board.

NHC`s total quality management system, called DNA system, has an important role in the overall internal control system. All policies, principles and procedures for all departments are in place and documented in the DNA system, including formal revisions of same. Non-conformances, observations and suggestions for improvements and input regarding ORSA reporting and emerging risks are reported and followed-up here as well.

B.4.1 Compliance function

The Compliance function shall ensure that NHC complies with governing laws and regulations and internal policies that are derived from external requirements. The Compliance function may also design or update internal policies to mitigate the risk of NHC breaking laws and regulations, as well as lead internal audits of procedures. The Compliance function, headed by the Compliance Officer (CO), is part of NHC's overall corporate governance structure. The function is responsible for the monitoring, managing, and reporting of the Compliance risks to which NHC is exposed. The Compliance function has a direct reporting line to the CEO, the Board and its sub committees. The activities of the Compliance function are subject to periodic review by Internal Audit.

B.5 Internal audit function

Internal Audit function provides independent and objective reviews and assessments of the business activities, operations, financial systems and internal controls. The internal audit shall ensure that NHC resources are used efficiently and effectively while working towards helping NHC achieve its mission, as directed by the Board. The function shall perform this service with professional care and with minimal disruption to NHC operations. NHC has outsourced the internal audit to a third party. The operative responsibility for the Internal Audit function is handled daily by the CO.

Based on risk assessments, an annual audit plan is prepared and presented to the Board for approval. The internal auditor carries out annual reviews as stated in the annual plan to evaluate the appropriateness and effectiveness of the internal control processes.

Internal audit reports are provided to the Board at least once a year. The reports highlight any significant control failings or weaknesses identified and the impact they have had, or may have, and recommendations on how to mitigate the weakness. Outsourcing this function provides independent and objectivity when reviewing activities.

B.6 Actuarial function

Actuarial function is responsible for overseeing the calculation of technical provisions and report findings to the Board annually and to expressing an opinion on the underwriting policy and the reinsurance arrangements. Actuarial function will also contribute to the effective implementation of the risk management system with respect to the risk modelling underlying the capital requirements, in particular.

The actuarial function is involved in the ORSA process. This annual process is finalized through thorough discussion in the Risk Committee and the Board. Written opinions on the Underwriting Policy and Reinsurance arrangements are discussed with the Risk Committee and TMG. The report on the technical provisions is reviewed by the Board together with the annual accounts.

B.7 Outsourcing

NHC outsources and has outsourcing arrangements only where there is a sound commercial basis for doing so, and where the risk can be effectively managed. A due diligence process is undertaken prior to any final decision being made as to whether to outsource a material business activity. This addresses all material factors that would impact on the potential service provider's ability to perform the business activity.

NHC has established an Outsourcing Policy to establish the requirements for identifying, justifying and implementing material outsourcing arrangements. This policy has been adopted by the Board.

For the time being NHC has outsourced the following operational functions or activities:

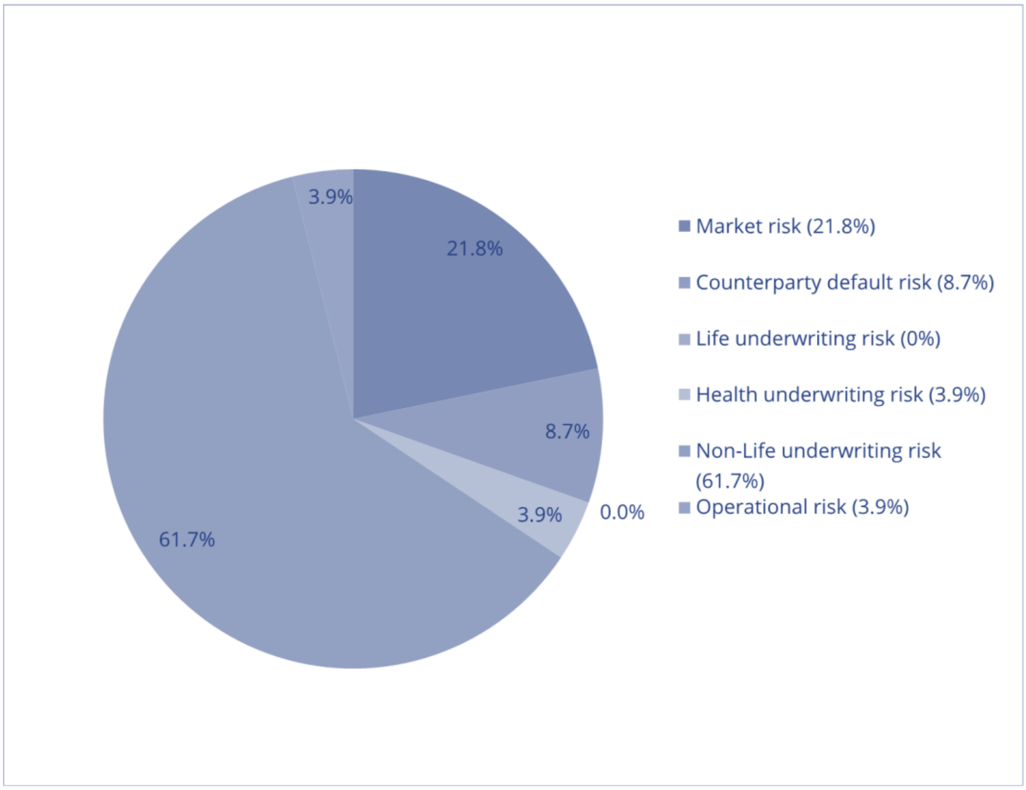
- Internal Audit – located in Norway
- IT Infrastructure – located in Norway
- Administrative support and service - located in Norway and the Philippines
- Asset/Fund management of two discretionary accounts – one located in the US and the other in the UK
- Underwriting of Medical Plan – located in Norway
- Claims services of Medical Plan and Crew P&I – located in Norway, Singapore and the Philippines.
- Underwriting and Claims Service of H&M insurance (Small hull facility)
- Claims service of run-off portfolio P&I – located in Norway
- Payroll and tax service for NHC UK Branch – located in UK

B.8 Any other information

There is no other material information to be disclosed.

C Risk Profile

The below chart splits the Solvency Capital Requirement by risk group.



C.1 Underwriting risk

The Underwriting risk is the sum of premium and reserve risk, catastrophe risk and lapse risk.

The premium risk is the risk that the premium is insufficient to cover future claims. The reserve risk is the risk that the claim provisions are insufficient to cover incurred but not settled claims. The volume measure for the premium risk is the maximum of the past year's earned net premium and the expected earned net premium the next year with an add-on for multi-year policies. The volume measure for reserve risk is the net claims provision. The Standard Model assumes 50 % correlation between premium and reserve risk.

Catastrophe risk is comprised of non-life natural catastrophe risk (Windstorm, Earthquake, Flooding, Hail), Non-life man made catastrophe risk (total loss of tanker and platform) and health catastrophe (accident, concentration, pandemic). The only Nat-Cat scenarios affecting NHC are related to onshore marine (yards, refineries, etc.) and the Non-Marine Cat scenarios are thus dominated by the man-made scenarios (total loss of a tanker and/or a platform). These scenarios also affect the counterparty credit risk. The health cat risk is dominated by pandemic risk.

Lapse risk is the loss of expected profit in future premium in a scenario where a large share of the policies is terminated.

Material risk concentrations
The standard model only identifies concentration risks in Health insurance. Un-modelled concentration risk includes any marine event involving several vessels/units or Offshore Windfarms. Historically there are few events involving severe casualties on several non-coastal vessels. The most likely events involving several vessels/units are related to ports, superyacht marinas, lay-up locations and yards in addition to fixed installations in windstorm areas or War related incidents

such as trapping of several vessels in Ukraine in 2022. Most of the risk related to these events are reinsured.

Risk mitigation and process for monitoring its effectiveness
Excess of loss reinsurance is used to mitigate the underwriting risk. This has effectively reduced the effect of single claims.

Sensitivity
The standard model is sensitive to input related to claim provisions, premium projections, geographical diversification, allocation to lines of business and scenarios related to risk concentrations. There are no known issues related to the input that would result in a significant increase in the requirements if addressed differently.

Post loss capital requirements could increase as a major loss (or adverse claims development) could increase technical provisions and thus capital requirements. Large market losses might also lead to a recalibration of the CAT modelling from European Insurance and Occupational Pensions Authority (EIOPA).

The main sensitivity going forward is changes in the parameters (standard deviations and correlations) or CAT modelling from EIOPA. The former could be addressed by using undertaking specific parameters, but this would give rise to increased model recalibration risk.

C.1.1 Non-Life underwriting risk

Non-Life underwriting risk	2023	2022
Premium and reserve risk	144,108	138,515
Lapse risk	12,737	11,212
Catastrophe risk	31,538	28,366
Diversification	-32,831	-29,495
Total non-life underwriting risk	155,552	148,598

The standard model uses the net premium volume, the net claim reserve, the geographic spread, the product spread and the exposure to specific scenarios as the key risk drivers. The growth in premium explains the growth in underwriting risk. For internal purposes the risk is modelled using historic premium and claims data, stochastic simulation, various scenarios and comprehensive systems for modelling premium rate adequacy.

C.1.2 Health underwriting risk

Health underwriting risk	2023	2022
Mortality risk	0	0
Longevity risk	0	0
Disability-morbidity risk	0	0
Lapse risk	0	0
Expense risk	0	0
Revision risk	0	0
Diversification	0	0
Total SLT health underwriting risk	0	0
Premium and reserve risk	4,108	4,211
Lapse risk	607	1,475
Diversification	-563	-1,224
Total NSLT health underwriting risk	4,153	4,462
Catastrophe risk	7,988	8,501
Diversification	-2,260	-2,420
Total health underwriting risk	9,881	10,542

C.1.3 Life underwriting risk
NHC does not write life insurance.

C.2 Market risk

The table below lists the gross SCR for the risk module Market risk, split by its sub modules.

Market risk	2023	2022
Interest rate risk	19,464	12,886
Equity risk	27,320	21,775
Property risk	14,746	16,626
Spread risk	10,454	10,313
Concentrations	0	0
Currency risk	8,325	8,677
Diversification	-25,466	-21,115
Total market risk	54,843	49,162

Market risk covers risk related to investments. Investments returns can fluctuate caused by changes in expected future economic conditions and changes to investor risk preferences. This affects real investments (equity and real estate) and nominal investments (fixed income) as both interest rates and risk premiums fluctuates as expectations changes.

NHC seeks to expose the portfolios to systematic market risk and have thus implemented highly diversified asset portfolios to diversify away specific company risks. All asset classes are highly diversified.

Spread risk is the risk that market pricing of credit risk increase. To reduce the spread risk, the bond portfolio shall have an adequate rating level from a holistic point of view.

The capital requirements for equity, property, spread, and currency risk are calculated as predefined shocks applied on the market value of these assets. The capital requirement for interest rate risk is also affected by size and duration of the technical provisions. The capital requirement for concentration risk is based on assets with a market value in excess of certain percentages of the overall investments. In addition to assuming asset class specific shocks, the model assumes specific correlations between the various asset classes.

Measures used to assess the risk, material risks and changes the past year
The standard model assesses the risk based on market value per asset class and assumptions regarding volatility per asset class. For internal purposes, the risk is also modelled based on historic volatility and stress testing.

Investments according to the "prudent person principle"
NHC, and particularly the Investments-section of the finance department, shall carefully evaluate the merits of each investment in the investment portfolio, both on a stand-alone basis and its impact on the overall portfolio, in relation to the overall investment strategy, asset – liability management objective and liquidity objective. No investment shall be made unless the characteristics and impact of the security or fund is fully understood and evaluated.

In addition to the Investment section there are separate Risk Management and Accounting functions in order to secure independent reporting and control.

The interest rate duration of the investment grade portfolio is aligned with the duration of the insurance liabilities. Limits on interest rate risk deviations from benchmark are established as part of the investment strategy.

Currency risk is managed and hedged with US Dollars as base currency. NHC Equity and capital is measured in US Dollars. Calculation of foreign exchange risk are performed as an integral part of the preparation of the quarterly accounts. In case of major incidents, calculation shall be made on an ad-hoc basis. Major incidents are single incidents, originated in a non-USD currency, with an effect on the net result exceeding USD 5.0 mill.

NHC can deploy interest rate derivatives to efficiently adjust interest rate risk to desired levels and foreign exchange instruments to achieve targeted currency allocation. Furthermore, derivatives shall only be used to the extent that we fully understand the instruments and to the extent that we are able to implement the instruments in our portfolio systems.

Diversification is a key feature in reducing the level of absolute risk and increase risk adjusted returns in the investment portfolio. Furthermore, the intention is to identify plurality of sources to potential income (and inherently risk) as a means of limiting the correlation risk. Investment risk is reduced by diversifying into several asset classes as defined by strategic asset allocation and the broad benchmarks adopted in the NHC strategy. Within the different asset classes, the portfolio is broadly diversified on issuers, corporations, sectors and geographical areas. Retaining visibility and transparency of investments undertaken is important in this regard.

Investment concentration risk
Except for US and German sovereign risk, maximum exposure on any single issuer shall not exceed 5 % of NHC equity. Concentration risk is managed as part of ordinary risk management of the investment portfolio.

Risk mitigation and process for monitoring its effectiveness
While USD is the base currency of operations, NHC writes policies in several other currencies, primarily EUR and NOK. NHC uses various contracts to manage currency risk related to the balance sheet. At a detailed level, it is inherently challenging to monitor the effectiveness of these contracts as the exact currency position is only known when full financial accounts are prepared each quarter.

Interest rate risk is primarily managed through allocation to asset classes and securities in the investment portfolio. For sake of efficiency, adjustments to interest rate risk may be made through financial contracts such as futures or swaps.

Sensitivity
The standard model is sensitive to input related market values, allocation to asset classes and duration and credit quality in the bond portfolio. There are no known issues related to the input that would result in a significant increase in the requirements if addressed differently.

Unlike underwriting risk, market risk has the feature that a market loss will reduce the capital requirement if investments are not reallocated to risky assets.

The main sensitivity going forward is changes in the parameters (standard deviations and correlations) from EIOPA.

C.3 Credit risk

The table below lists the Solvency Capital Requirement for the Counterparty Default Risk:

Counterparty default risk	2023	2022
Type 1 exposures	8,533	16,822
Type 2 exposures	14,762	14,023
Diversification	-1,394	-1,975
Total counterparty default risk	21,901	28,870

Credit risk is handled separately for rated counterparts (type 1 risk) and unrated counterparts (type 2 risks). Rated counterparts include reinsurers, co-insures and banks. This risk is dominated by default risks related to the default of reinsurers, co-insurers and banks. NHC does no longer cover P&I and the worst-case gross loss is thus significantly reduced. This explains the reduction in the type 1 credit risk. Unrated counterparts include policyholder's receivables (outstanding premium). The actual credit losses on policyholders have been low.

Risk mitigation and process for monitoring the effectiveness
The risk related to policyholder receivables is reduced by continuous monitoring, setting off premium receivables for outstanding claims and cancellation of contracts. Consequently, the risk is considered significantly lower than modelled. The risk related to reinsurers is reduced by using reinsurance with minimum A-rating.

Sensitivity
The standard model is sensitive to the interpretation of the type 2 credit risk model. A different interpretation could lead to a

material reduction in this element of the capital requirement.

The type 1 credit risk is calculated based on the simplifications suggested by the Delegated Regulation.

C.4 Liquidity risk

Model results and description of risks
There is no capital requirement for liquidity risk. Liquidity risk is the risk that NHC will not be able to meet obligations when due. The liquidity risk in the investment portfolio is considered low as most of the portfolio is invested in assets that under normal circumstances are highly liquid. These are government bonds, corporate bonds and public equities. Other types of investments, as real estate and private markets are considered to be illiquid, even though secondary markets are available for most of them.

Policyholder receivables (premium receivables and disbursements) is a large, illiquid asset. To some extent this can, however, be set off against outstanding claims.

Risk mitigation and process for monitoring the effectiveness
NHC's reinsurance contracts has a "simultaneous payment clause" that transfers much of the liquidity risk to reinsurers (as reinsurance recoverable can be collected before payment is made to the assured).

Expected profit in future premium
Expected Profit in future premium represents a small amount of own funds and the illiquidity of this asset has therefore no material effect on liquidity. The amount has increased due to growth in premium volume and increased premium rates.

Expected profits included in future premiums (EPIFP)	2023	2022
EPIFP Life business	0	0
EPIFP Non-life business	33,363	31,718
Total EPIFP	33,363	31,718

C.5 Operational risk

NHC has implemented an Operational Risk policy that describes how Norwegian Hull Club is systematically identifying, assessing, mitigating, managing and reporting the operational risks. The document also describes the ownership of the operational risks and gives an overview of the control environment.

Operational risks can be defined as risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risks are included in the regulatory capital requirements of Solvency II and thus included in NHC`s internal capital models.

Risk Management function facilitates an annual risk assessment process where all the departments in NHC will identify and assess all the known risks. Risk Management function in cooperation with TMG selects the most critical risks which will be managed, monitored and reported on a quarterly basis.

In addition to annual risk identification and evaluation process, managers are also responsible for continuously identifying and assessing other operational risks e.g related to projects, outsourcing etc.

All NHC employees are also responsible for identifying and reporting new emerging operational risks. Emerging risks are new risks or familiar risks that become apparent in new or unfamiliar conditions. Sources of emerging risks can be for example:

- Human
- Natural
- New technologies

- Economic, societal, environmental, regulatory or political changes

Risk owners are responsible for identifying relevant mitigating actions for operational risks (actions to mitigate the risk/reduce the likelihood) and for implementing identified actions. Controls shall be put in place to limit the exposure of the risks and the potential damage caused by the risks. Risk owners shall also prepare contingent actions (actions to be taken if the risks materialize).

NHC has implemented a quarterly risk reporting process which is driven by the Risk Management Function. The results of the risk reporting are provided to TMG and to the Risk Committee.

The operational risk measurement system is complemented by a Non-Conformance reporting system, which is also documented and followed up in the internal documentation system.

The capital requirement for operational risk is calculated as the maximum of 3 % of the gross technical provisions and 3 % of the earned gross premium the past 12 month, with an add-on if the premium has grown more than 20 % the past 12 months.

C.6 Other material risks

Risks described above are quantified through the Solvency II regulation (except for C.4 Liquidity risk). Below is a short description of other material risks.

Climate Risk
Globally, extreme weather events are expected to increase in frequency and intensity going forward. Climate risks are high on the agenda in NHC and included in the Board's annual own risk and solvency assessment (ORSA). The latest assessment concluded with the identification of the following, most relevant risks for NHC:

- Increasing frequency, severity and volatility of extreme weather events hurricanes, windstorms etc. leading to increased weather-related claims regarding stationary objects,
- Inflation including increased cost of raw materials and energy
- Reputational risk tied to changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy.

Due to this and the possibility of increases in frequency and size of claims, NHC will continually monitor and assess climate risk together with the evolvement of guidelines/tools from external sources and supervisory authorities. NHC has also implemented various actions to better assess climate risk and its impact on business including the underwriting, claims handling, loss prevention and investment management processes.

Loss absorbing capacity of deferred tax:
The Solvency II regulation assumes a loss absorbing capacity of deferred tax. The issue has been considered through NHC's annual ORSA process. The conclusion was that the loss absorbing capacity of deferred tax is questionable as the taxable result can deviate substantially from the operating result. If an extreme loss scenario is combined with strong USD appreciation (as during the financial crisis) the taxable result can be positive even though the net operating result is negative. No loss absorbing capacity of deferred tax is thus assumed.

Diversification effects
It is highly unlikely that worst case scenarios in all the various risk classes occur simultaneously. The standard model thus assumes a certain correlation between the various risks in order to reduce the overall risk for diversification benefits.

C.7 Any other information

No other material information regarding risk to disclose.

D Valuation for solvency purposes

The chart below displays a summary of assets and liabilities, listed per the valuation for solvency purposes and per valuation in the annual report.

The following chapters describe potentially differences between the valuation of assets and liabilities according to the Solvency II regulation and valuation principles used in the annual report.

D.1 Assets

The below table shows assets per material class (table 02.01.02 in the appendix contains further details).

Assets	IFRS	Solvency II	Delta
Intangible assets	0	0	0
Deferred tax assets	0	0	0
Financial investments	635,443	635,443	0
Index and unit linked investments	0	0	0
Loans and mortgages	8,594	8,594	0
Reinsurance recoverables	86,497	52,555	-33,942
Cash and cash equivalents	90,401	90,401	0
Other assets	233,161	101,747	-131,413
Total assets	1,054,096	888,741	-165,355

Assets are valued based on the assumption that the undertaking will pursue its business as a going concern and are valued in conformity with international accounting standards. Assets are valued according to quoted market prices in active markets, if available. Where the use of quoted market prices is not possible, NHC use quoted market prices for similar assets and liabilities with adjustments to reflect differences. The use of alternative valuation methods makes maximum use of relevant market inputs and rely as little as possible on undertaking-specific inputs.

According to Norwegian generally accepted accounting principles there are some exemptions to common assessment and valuation principles. Comments to these exemptions follow below.

D.1.1 Financial investments

NHC uses the opportunity that is given insurance companies in “Regulations for annual accounts for insurance companies approved by the Norwegian Ministry of Finance” to present all financial assets at fair value through profit and loss in accordance with the fair value option, if not otherwise decided before investment in a financial asset is made. This means that the fair value adjustments on financial assets are recognized in income before other comprehensive income.

Financial instruments are valued at fair market value. Such financial instruments are equities (both listed and unlisted), bonds and other interest generating investments, real estate funds and money market funds. Foreign exchange contracts are valued at fair market value as well.

Regular purchases and sales of financial assets are recognized on the trade date. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and NHC has transferred substantially all risks and rewards of ownership. Realized gains / losses on financial instruments are presented on a separate line in the statement of comprehensive income. Interest and dividends income are included in financial income for financial assets at fair value through profit and loss.

Investments

Note 7 in the annual report set out an overview of the carrying and fair values of NHC’s financial instruments and the accounting treatment of these instruments as defined in IAS 39.

Fair value hierarchy

Government bonds, corporate bonds and other financial instruments that are traded in active markets where the fair value is determined based on quoted market prices at the balance sheet date, are classified on level 1 in the pricing hierarchy. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

The fair value is financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to value an instrument are observable, the instrument is included in level 2. Investments listed in the following have been classified on level two in the pricing hierarchy:

Equity funds, government bond funds, corporate bond funds and high yield bond funds. Values are determined based on the quoted market prices of the assets the funds have invested in.
Currency futures, interest rate futures, stock and equity options, credit default swaps and currency swaps. Values are determined based on the price development on an underlying asset or instrument. The before mentioned categories of derivatives are being priced by using standard and well recognized methods of pricing like option pricing models etc.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments listed in the following have been classified on level three in the pricing hierarchy:

Unlisted Private Equity and Private Loans investments

All of these are either investment in funds or in fund of funds. Values are determined based on quarterly NAV (Net Asset Value) reports from the fund managers. These reports are prepared based on the IPEV (International Private Equity and venture capital Valuation) guidelines set forth by the Equity Venture Capital Association or corresponding guidelines in the respective jurisdiction of the underlying funds. NAVs are calculated by the fund managers by making use of those methods of pricing in the IPEV and similar guidelines that are most suited to estimate actual value for each type of asset subject all relevant factors. Due to late reporting, NAVs as per the last quarterly reports are used in the accounts. The NAV from the most recent quarterly report is adjusted for capital distributions and/or capital calls in the period until 31st December and might be adjusted if incidents of material character have occurred during the period since last reporting date. An example in this respect could be a substantial change in the market value of a listed company a Private Equity fund has invested in:

Real Estate funds

As for Private Equity, values are determined based on quarterly NAV reports from the fund managers. Minimum yearly, the values of all properties in the funds are assessed by a publicly authorized real estate agent or valuator. The assessed values of the properties adjusted for other assets and liabilities, and if relevant expected cash flow (for example differentials due to future requirements and/or regulation that will impact the future cash flow of the properties) make up the basis for the NAVs.

D.1.2 Holdings in related undertakings

Shares in subsidiaries are valued using the cost method in the NHC accounts. Cost increases when the parent gives the subsidiary increased equity capital by subscription for share issue or group contribution. Dividends / group contribution received is normally recognized as income, but only to the extent that dividends / group contribution received from subsidiary does not exceed the share of retained earnings in the subsidiaries after the purchase. Received dividends / group contributions in excess of this amount are recorded as a reduction of the acquisition cost. NHC records received dividend / group contributions the same year as the subsidiary makes the provisions. Associated companies valued using the equity method.

Further details are available in Note 7 in the annual report.

D.1.3 Loans and mortgages

Employee loans are accounted for at face value with deductions for expected loss. At year end there were no deductions made.

D.1.4 Reinsurance recoverables

Reinsurance recoverables are current reinsurance recoverables due to claims.

D.1.5 Cash and cash equivalents

USD is NHC's functional and presentation currency.

Receivables and liabilities (including technical insurance obligations) in foreign currencies are translated into USD at the year-end exchange rates. Foreign exchange gains and losses that relate to payables, receivables and cash and cash equivalents are presented in the statement of comprehensive income under financial income or costs as currency gain/loss. All other foreign exchange gains and losses are posted in the statement of comprehensive income under items they relate to. Securities and financial instruments in other currencies are valued in USD at the year-end exchange rates.

D.1.6 Other assets

Other assets consist mainly of receivables and property, plant & equipment held for own use.

Intangible assets

NHC has no intangible assets on the balance sheet.

Material deferred taxes

NHC has no deferred tax assets.

Accounts Receivables

Receivables are accounted for at face value with deductions for expected loss.

Property, plant & equipment

Property, plant & equipment are recorded in the accounts at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Depreciation is calculated using the straight-line method. Upgrading of rented office premises is depreciated over the rent period. If the fair value of a fixed asset is lower than book value, and the decline is not temporary, the fixed asset will be written down to fair value. Depreciation is classified as other insurance related expenses.

D.1.7 Explanation of material differences between Solvency II and Statutory Values

Reinsurance Recoverables

The Solvency II reinsurance recoverables are reduced for expected losses on reinsurance, expected profit to reinsurers and discounting. In addition, the recoverables reflects contract boundaries as defined by the Solvency II directive and thus includes policies with inception in the beginning of the next year and multi-year contracts. This also reduce the recoverables as expected claims are lower than expected premium. In addition to these revaluations “reinsurance payables” are deducted from the recoverables. The latter is the most material difference but does not affect own funds as there is no “reinsurance payables” liability on the Solvency II balance sheet.

Insurance and intermediaries’ receivables

In the Solvency II balance sheet undue premium receivables are deducted from the premium provision and thus reduce this liability. This part of the receivables is therefore removed from the assets. This is a reclassification and therefore does not affect own funds.

D.1.8 Changes to valuation bases during period

No changes to valuation bases during the period

D.2 Technical provisions

The table below shows the valuation of technical provisions, for solvency purposes and the valuation in financial statements.

Technical provisions	IFRS	Solvency II	Delta
Technical provisions non-life	518,373	348,304	-170,069
Best estimate		329,368	
Risk margin		18,936	
Technical provisions life (ex. index-linked and unit-linked)	0	0	0
Best estimate		0	
Risk margin		0	
Technical provisions index-linked and unit-linked	0	0	0
Best estimate		0	
Risk margin		0	
Other technical provisions	0		0
Total technical provisions	518,373	348,304	-170,069

D.2.1 Life technical provisions

NHC does not write life-insurance.

D.2.2 Non-Life technical provisions

The table below displays the valuation for solvency purposes for technical provisions split by Marine and Medical Insurance.

Non-Life	2023			2022		
	Technical provisions	Best estimate (gross)	Risk margin	Technical provisions	Best estimate (gross)	Risk margin
Medical expense insurance	8,037	7,600	437	7,932	7,462	470
Income protection insurance	0	0	0	0	0	0
Workers' compensation insurance	0	0	0	0	0	0
Motor vehicle liability insurance	0	0	0	0	0	0
Other motor insurance	0	0	0	0	0	0
Marine, aviation and transport insurance	340,267	321,768	18,499	313,594	295,011	18,583
Fire and other damage to property insurance	0	0	0	0	0	0
General liability insurance	0	0	0	0	0	0
Credit and suretyship insurance	0	0	0	0	0	0
Legal expenses insurance	0	0	0	0	0	0
Assistance	0	0	0	0	0	0
Miscellaneous financial loss	0	0	0	0	0	0
Non-proportional health reinsurance	0	0	0	0	0	0
Non-proportional casualty reinsurance	0	0	0	0	0	0
Non-proportional marine, aviation and transport reinsurance	0	0	0	0	0	0
Non-proportional property reinsurance	0	0	0	0	0	0
Total Non-Life	348,304	329,368	18,936	321,526	302,473	19,053

Best estimates, risk margins, methods and assumptions

The premium provision covers future claims on written policies. The provision is very low as premium receivables are deducted from the expected claims. The net provision is negative as parts of the reinsurance program is paid up-front, and the net future cash-flow from reinsurance is therefore positive.

The claims provisions cover incurred but not settled claims. The provision is calculated based on case estimates and IBNR reserves based on the Benktander method for most lines of business. The provisions are discounted based on risk free interest rates in three currencies.

The risk margin is an additional margin to make the overall provision sufficient for a third party to accept to take over the liability. The risk margin is calculated according to the Cost of Capital method with a Cost-of-Capital rate of 6%, in line with the Delegated Regulation.

Level of uncertainty

The premium provision covers future claims on written policies. As marine insurance is a high severity line of business, the level of uncertainty associated with this provision is very high.

The uncertainty of the claim provision is assessed based on historic run off results. The net run off result has been negative the past 6 years after 5 years of positive results. The average loss the past 5 years is 6 MUSD. The run-off standard deviation the past 10 years is 8 MUSD.

D.2.3 Technical provisions split between line of business

Non-Life	2023			2022		
	Technical provisions	Best estimate (gross)	Risk margin	Technical provisions	Best estimate (gross)	Risk margin
Medical expense insurance	8 037	7 600	437	7 932	7 462	470
Marine, aviation and transport insurance	340 267	321 768	18 499	313 594	295 011	18 583
Total Non-Life	348 304	329 368	18 936	321 526	302 473	19 053

D.2.4 Material differences between valuation for Solvency purposes and financial statement

Premium provision

The most important difference between the Solvency II valuation and the Statutory Accounts is that non due premium receivables are deducted from the former. This difference represents a reclassification (rather than a revaluation) and therefore does not affect own funds. This makes the Solvency II Premium Provision hard to interpret. In addition, expected profit in future premium is deducted and policies written on future years are included.

Claims Provision

The Solvency II claim provisions are discounted. This reduces the reserves by 5% compared to the Statutory Accounts.

Risk Margin

There is no risk margin in the Statutory Accounts.

Adjustments

None of the available measures to reduce the provisions have been applied (matching adjustment, volatility adjustment, transitional term structure, transitional deduction).

Recoverables from reinsurance contracts

In the statutory accounts, recoverables from reinsurance equals the unearned reinsurance premium and the reinsurers' share of the gross claim's provisions. The latter is based on reinsurer's share of incurred, but not settled claims on a case by case basis and reinsurers' estimated share of the IBNR claims. The Solvency II recoverables are based on an adjusted version of the statutory accounts (allowing for discounting, expected counterparty losses, expected reinsurer profit and extended contract boundaries). The adjustments are described in Section D.1 above.

Changes during the year

There are no material changes in the calculation of technical provisions during the year.

D.3 Other liabilities

The below table shows technical provisions and other liabilities:

Liabilities	IFRS	Solvency II	Delta
Technical provisions	518 373	348 304	-170 069
Pension obligations	3 102	3 102	0
Deferred tax liabilities	27 383	34 040	6 657
Derivatives	1 782	1 782	0
Financial liabilities	0	0	0
Subordinated liabilities	0	0	0
Other liabilities	87 623	65 544	-22 079
Total liabilities	638 263	452 771	-185 492

Pension obligations

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. This is pension obligations for some pensioners. These are non-funded obligations.

Deferred tax and tax expense

Deferred tax is calculated based on temporary differences between book values and tax basis for assets and liabilities at year-end. For the purpose of calculating deferred tax, nominal tax rates are used. Taxable and deductible temporary differences are offset to the extent they reverse within the same time frame. However, deferred tax liabilities on net pension assets are treated separately. Temporary differences that will constitute a future tax deduction give rise to a deferred tax asset. Change in deferred tax liability and deferred tax asset, together with taxes payable for the fiscal year adjusted for errors in previous year's tax calculations constitutes tax expenses for the year. The difference between IFRS and Solvency II is due to the difference in the valuation of the technical provisions (lower reserves triggers higher tax).

Derivatives
Derivatives relates to market values of currency derivatives.

Other liabilities
Other liabilities consist mainly of ‘Insurance & intermediaries payables’, ‘Payables (trade, not insurance)’, ‘Reinsurance payables’ and ‘Any other liabilities, not elsewhere shown’. There is only difference in the classification of reinsurance payables.

Reinsurance payable – Reclassification
In the Solvency II balance sheet the liability 'reinsurance payables' is deducted from the asset 'reinsurance recoverables'. This does not affect own funds.

D.4 Alternative methods for valuation
Covered under D.1 for assets. No use of alternative methods for valuation of technical provisions.

D.5 Any other information
There is no other material information to be disclosed regarding the valuation for solvency purposes.

E Capital Management

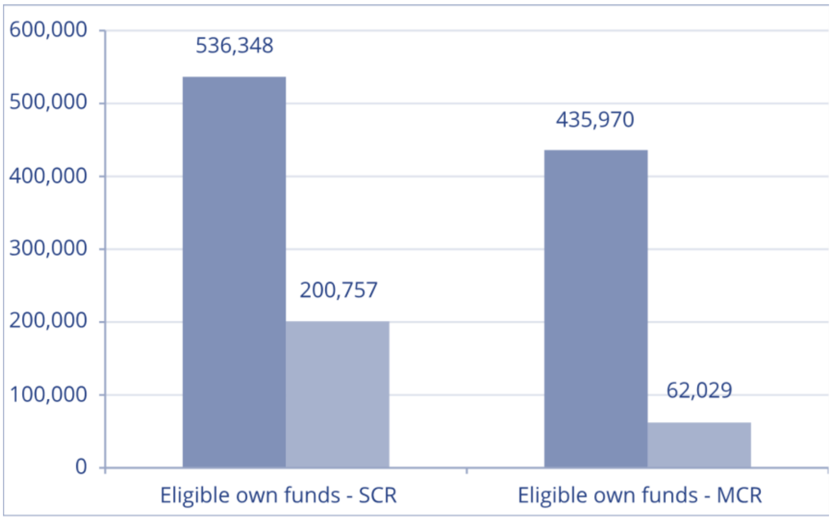
The different contributing elements to SCR and MCR are represented in the table below, it also includes the total SCR/MCR and corresponding ratios.

	2023		2022	
	SCR	MCR	SCR	MCR
Eligible Own Funds	536 348	435 970	499 243	401 471
Capital Requirement	200 757	62 029	195 543	60 672
Difference	335 591	373 941	303 700	340 799
Ratio	267 %	703 %	255 %	662 %

The increase in Own Funds is due to positive results from both underwriting and investments business during 2023. The increase in the Capital Requirement is due to increased marked risk and underwriting risk. The SFCR report and accounts assumes 14,3 MUSD to be returned to members as mutual member premium return.

E.1 Own funds

The following chart shows an overview of the own funds figures:



Own funds are currently a mix of unrestricted Tier 1 capital and supplementary mutual calls as Tier 2 (ancillary) capital. Additional premium has not been called since 1947 and is considered an option of last resort. In addition, the following factors affects the development of own funds: The operating result, deferred tax, change in expected profit in future premium, changes in the effect of discounting reserves, changes in expected losses on reinsurance receivables.

Material Differences between NHC's financial statement equity and Own funds

The differences between the Solvency II balance sheet and the Statutory accounts are a mix of reclassifications and revaluations. Discounting the reserves, expected net of tax profit in future premium and supplemental mutual calls strengthens own funds. The Solvency II risk margin reduce own funds.

The following table shows the effect on own funds to meet the SCR:

	2023	2022
NHC's financial statement equity	415 833	387 039
Discunting Claim Reserve	11 655	9 768
Risk Margin	-18 936	-18 795
Expected profit future premium	33 363	31 804
Increased deferred tax	-6 657	-6 633
Supplemental mutual calls	101 089	96 059
Total eligible own funds to meet the SCR	536 348	499 243

E.1.1 Own funds tiers – SCR

Eligible own funds SCR	2023	2022
Tier 1 (unrestricted)	435,970	401,471
Tier 1 (restricted)	0	0
Tier 2	100,378	97,772
Tier 3	0	0
Total eligible own funds SCR	536,348	499,243

Supplementary Members Calls are included as Tier 2 capital.

E.1.2 Own funds tiers - MCR

Eligible own funds MCR	2023	2022
Tier 1 (unrestricted)	435,970	401,471
Tier 1 (restricted)	0	0
Tier 2	0	0
Tier 3		
Total eligible own funds MCR	435,970	401,471

Supplementary Members Calls (ancillary tier 2 capital) do not contribute to the capital eligible to meet the MCR requirement.

E.2 Solvency capital requirement and minimum capital requirement

Split by risk modules, the table below displays information about the SCR breakdown.

SCR risk modules	2023	2022
Market risk	54,843	49,162
Counterparty default risk	21,901	28,870
Life underwriting risk	0	0
Health underwriting risk	9,881	10,542
Non-life underwriting risk	155,552	148,598
Diversification	-51,302	-51,412
Basic Solvency Capital Requirement	190,876	185,759
Operational Risk	9,881	9,784
Loss-absorbing capacity of technical provisions	0	0
Loss-absorbing capacity of deferred taxes	0	0
Solvency Capital Requirement (SCR)	200,757	195,543
Minimum Capital Requirement (MCR)	62,029	60,672

The minimum capital requirement is calculated per line of business as the sum of the written net premium multiplied by a premium risk factor and the net technical provisions per line of business multiplied by a reserving risk factor. The total MCR equals the sum of the MCR per line of business. MCR is designed to lie between 25% and 45% of SCR. The low MCR/SCR ratio suggests a high SCR. This is caused by the high capital charge in the Marine Line of Business and risk taking in areas that are not explicitly reflected in the MCR (investment risk and credit risk).

E.3 Use of duration-based equity risk sub module in the calculation of the SCR

NHC does not apply the duration-based approach.

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

NHC does not use an internal model.

E.5 Non-compliance with the MCR and the SCR

NHC has sufficient amount of capital to meet both the SCR and MCR capital requirements.

E.6 Any other information

NHC applies the simplifications described in Article 107, 110, 111, 112 of the Delegated Regulation.

Appendix

As part of the SFCR, undertakings are expected to disclose the templates attached in this Appendix. The monetary amounts are disclosed in thousands of units.

S.02.01.02 - Balance Sheet

		Solvency II value
Assets		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	12,729
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	635,443
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	12,152
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	483,672
Government Bonds	R0140	304,615
Corporate Bonds	R0150	179,056
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	139,618
Derivatives	R0190	2
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	8,594
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	8,594
Reinsurance recoverables from:	R0270	52,555
Non-life and health similar to non-life	R0280	52,555
Non-life excluding health	R0290	52,476
Health similar to non-life	R0300	79
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-
Health similar to life	R0320	-
Life excluding health and index-linked and unit-linked	R0330	-
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	50,495
Reinsurance receivables	R0370	20,481
Receivables (trade, not insurance)	R0380	17,275
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	90,401
Any other assets, not elsewhere shown	R0420	768
Total assets	R0500	888,741

S.02.01.02 - Balance Sheet

		Solvency II value
Liabilities		C0010
Technical provisions – non-life	R0510	348,304
Technical provisions – non-life (excluding health)	R0520	340,267
Technical provisions calculated as a whole	R0530	-
Best Estimate	R0540	321,768
Risk margin	R0550	18,499
Technical provisions - health (similar to non-life)	R0560	8,037
Technical provisions calculated as a whole	R0570	-
Best Estimate	R0580	7,600
Risk margin	R0590	437
Technical provisions - life (excluding index-linked and unit-linked)	R0600	-
Technical provisions - health (similar to life)	R0610	-
Technical provisions calculated as a whole	R0620	-
Best Estimate	R0630	-
Risk margin	R0640	-
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	-
Technical provisions calculated as a whole	R0660	-
Best Estimate	R0670	-
Risk margin	R0680	-
Technical provisions – index-linked and unit-linked	R0690	-
Technical provisions calculated as a whole	R0700	-
Best Estimate	R0710	-
Risk margin	R0720	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	-
Pension benefit obligations	R0760	3,102
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	34,040
Derivatives	R0790	1,782
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	12,025
Reinsurance payables	R0830	-
Payables (trade, not insurance)	R0840	25,225
Subordinated liabilities	R0850	
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	28,294
Total liabilities	R0900	452,771
Excess of assets over liabilities	R1000	435,970

S.04.05.21 - Premiums, claims and expenses by country

Home country: Non-life insurance and reinsurance obligations		Home country
		C0010
Premiums written (gross)		
Gross Written Premium (direct)	R0020	46,397
Gross Written Premium (proportional reinsurance)	R0021	2,110
Gross Written Premium (non-proportional reinsurance)	R0022	-
Premiums earned (gross)		
Gross Earned Premium (direct)	R0030	45,749
Gross Earned Premium (proportional reinsurance)	R0031	2,549
Gross Earned Premium (non-proportional reinsurance)	R0032	-
Claims incurred (gross)		
Claims incurred (direct)	R0040	56,377
Claims incurred (proportional reinsurance)	R0041	1,694
Claims incurred (non-proportional reinsurance)	R0042	-
Expenses incurred (gross)		
Gross Expenses Incurred (direct)	R0050	2,490
Gross Expenses Incurred (proportional reinsurance)	R0051	113
Gross Expenses Incurred (non-proportional reinsurance)	R0052	-

Home country: Life insurance and reinsurance obligations		Home country
		C0030
Gross Written Premium	R1020	-
Gross Earned Premium	R1030	-
Claims incurred	R1040	-
Gross Expenses Incurred	R1050	-

Top 5 - Non-life insurance and reinsurance obligations

		Country	Premiums written (gross)			Premiums earned (gross)		
			Gross Written Premium (direct)	Gross Written Premium (proportional reinsurance)	Gross Written Premium (non-proportional reinsurance)	Gross Earned Premium (direct)	Gross Earned Premium (proportional reinsurance)	Gross Earned Premium (non-proportional reinsurance)
		R0010	R0020	R0021	R0022	R0030	R0031	R0032
Top 5 countries: non-life	C0020	UNITED KINGDOM	35,867	5,071	-	25,227	3,416	-
Top 5 countries: non-life	C0020	GERMANY	31,386	180	-	31,179	218	-
Top 5 countries: non-life	C0020	GREECE	19,657	16	-	22,397	15	-
Top 5 countries: non-life	C0020	UNITED STATES	18,939	691	-	16,449	623	-
Top 5 countries: non-life	C0020	FRANCE	19,029	135	-	21,311	143	-

		Country	Claims incurred (gross)			Expenses incurred (gross)		
			Gross Written Premium (direct)	Gross Written Premium (proportional reinsurance)	Gross Written Premium (non-proportional reinsurance)	Gross Earned Premium (direct)	Gross Earned Premium (proportional reinsurance)	Gross Earned Premium (non-proportional reinsurance)
		R0010	R0040	R0041	R0042	R0050	R0052	R00522
Top 5 countries: non-life	C0020	UNITED KINGDOM	8,873	4,007	-	1,881	38	-
Top 5 countries: non-life	C0020	GERMANY	11,713	1,806	-	1,684	10	-
Top 5 countries: non-life	C0020	GREECE	12,993	-	-	1,055	1	-
Top 5 countries: non-life	C0020	UNITED STATES	18,176	1,454	-	1,016	37	-
Top 5 countries: non-life	C0020	FRANCE	2,185	162	-	1,021	7	-

Top 5 - Life insurance and reinsurance obligations

		Country	Gross Written Premium	Gross Earned Premium	Claims incurred	Gross Expenses Incurred
		R1010	R1020	R1030	R1040	R1050
Top 5 countries: life and health SLT	C0040					
Top 5 countries: life and health SLT	C0040					
Top 5 countries: life and health SLT	C0040					
Top 5 countries: life and health SLT	C0040					
Top 5 countries: life and health SLT	C0040					

S.05.01.02 - Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance
		C0010	C0020	C0030	C0040
Premiums written					
Gross - Direct Business	R0110	19,388	-	-	-
Gross - Proportional reinsurance accepted	R0120	4,371	-	-	-
Gross - Non-proportional reinsurance accepted	R0130				
Reinsurers' share	R0140	(91)	-	-	-
Net	R0200	23,849	-	-	-
Premiums earned					
Gross - Direct Business	R0210	20,179	-	-	-
Gross - Proportional reinsurance accepted	R0220	2,804	-	-	-
Gross - Non-proportional reinsurance accepted	R0230				
Reinsurers' share	R0240	(91)	-	-	-
Net	R0300	23,073	-	-	-
Claims incurred					
Gross - Direct Business	R0310	12,537	-	-	-
Gross - Proportional reinsurance accepted	R0320	3,796	-	-	-
Gross - Non-proportional reinsurance accepted	R0330				
Reinsurers' share	R0340	13	-	-	-
Net	R0400	16,319	-	-	-
Expenses incurred	R0550	207	-	-	-
Balance - other technical expenses/income	R1200				
Total technical expenses	R1300				

S.05.01.02 - Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			
		Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance
		C0050	C0060	C0070	C0080
Premiums written					
Gross - Direct Business	R0110	-	261,646	-	-
Gross - Proportional reinsurance accepted	R0120	-	40,277	-	-
Gross - Non-proportional reinsurance accepted	R0130				
Reinsurers' share	R0140	-	67,573	-	-
Net	R0200	-	234,350	-	-
Premiums earned					
Gross - Direct Business	R0210	-	259,611	-	-
Gross - Proportional reinsurance accepted	R0220	-	33,589	-	-
Gross - Non-proportional reinsurance accepted	R0230				
Reinsurers' share	R0240	-	62,313	-	-
Net	R0300	-	230,887	-	-
Claims incurred					
Gross - Direct Business	R0310	-	177,915	-	-
Gross - Proportional reinsurance accepted	R0320	-	57,432	-	-
Gross - Non-proportional reinsurance accepted	R0330				
Reinsurers' share	R0340	-	44,545	-	-
Net	R0400	-	190,803	-	-
Expenses incurred	R0550	-	42,253	-	-
Balance - other technical expenses/income	R1200				
Total technical expenses	R1300				

S.05.01.02 - Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			
		Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0090	C0100	C0110	C0120
Premiums written					
Gross - Direct Business	R0110	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130				
Reinsurers' share	R0140	-	-	-	-
Net	R0200	-	-	-	-
Premiums earned					
Gross - Direct Business	R0210	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230				
Reinsurers' share	R0240	-	-	-	-
Net	R0300	-	-	-	-
Claims incurred					
Gross - Direct Business	R0310	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330				
Reinsurers' share	R0340	-	-	-	-
Net	R0400	-	-	-	-
Expenses incurred	R0550	-	-	-	-
Balance - other technical expenses/income	R1200				
Total technical expenses	R1300				

S.05.01.02 - Premiums, claims and expenses by line of business

		Line of Business for: accepted non-proportional reinsurance				
		Health	Casualty	Marine, aviation, transport	Property	Total
		C0130	C0140	C0150	C0160	C0200
Premiums written						
Gross - Direct Business	R0110					281,034
Gross - Proportional reinsurance accepted	R0120					44,648
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	67,482
Net	R0200	-	-	-	-	258,200
Premiums earned						
Gross - Direct Business	R0210					279,790
Gross - Proportional reinsurance accepted	R0220					36,393
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	62,222
Net	R0300	-	-	-	-	253,960
Claims incurred						
Gross - Direct Business	R0310					190,452
Gross - Proportional reinsurance accepted	R0320					61,228
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	44,558
Net	R0400	-	-	-	-	207,122
Expenses incurred	R0550	-	-	-	-	42,460
Balance - other technical expenses/income	R1200					
Total technical expenses	R1300					42,460

S.05.01.02 - Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations					
		Health insurance	Insurance with profit participa-tion	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
		C0210	C0220	C0230	C0240	C0250	C0260
Premiums written							
Gross	R1410	-	-	-	-	-	-
Reinsurers' share	R1420	-	-	-	-	-	-
Net	R1500	-	-	-	-	-	-
Premiums earned							
Gross	R1510	-	-	-	-	-	-
Reinsurers' share	R1520	-	-	-	-	-	-
Net	R1600	-	-	-	-	-	-
Claims incurred							
Gross	R1610	-	-	-	-	-	-
Reinsurers' share	R1620	-	-	-	-	-	-
Net	R1700	-	-	-	-	-	-
Expenses incurred	R1900	-	-	-	-	-	-
Balance - other technical expenses/income	R2510						
Total technical expenses	R2600						
Total amount of surrenders	R2700						

S.05.01.02 - Premiums, claims and expenses by line of business

		Life reinsurance obligations		Total
		Health reinsurance	Life reinsurance	
		C0270	C0280	C0300
Premiums written				
Gross	R1410	-	-	-
Reinsurers' share	R1420	-	-	-
Net	R1500	-	-	-
Premiums earned				
Gross	R1510	-	-	-
Reinsurers' share	R1520	-	-	-
Net	R1600	-	-	-
Claims incurred				
Gross	R1610	-	-	-
Reinsurers' share	R1620	-	-	-
Net	R1700	-	-	-
Expenses incurred	R1900	-	-	-
Balance - other technical expenses/income	R2510			
Total technical expenses	R2600			-
Total amount of surrenders	R2700			-

S.17.01.02 - Non-life Technical Provisions

		Direct business and accepted proportional reinsurance					
		Medical expense insurance	Income protection insurance	Workers' compensa tion insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance
		C0020	C0030	C0040	C0050	C0060	C0070
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM							
Best estimate							
Premium provisions							
Gross	R0060	416	-	-	-	-	1,511
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	2,494
Net Best Estimate of Premium Provisions	R0150	416	-	-	-	-	(983)
Claims provisions							
Gross	R0160	7,184	-	-	-	-	320,256
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	79	-	-	-	-	49,982
Net Best Estimate of Claims Provisions	R0250	7,105	-	-	-	-	270,275

S.17.01.02 - Non-life Technical Provisions

		Direct business and accepted proportional reinsurance					
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance
		C0020	C0030	C0040	C0050	C0060	C0070
Total Best estimate - gross	R0260	7,600	-	-	-	-	321,768
Total Best estimate - net	R0270	7,521	-	-	-	-	269,292
Risk margin	R0280	437	-	-	-	-	18,499
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	R0290	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-
Technical provisions - total							
Technical provisions - total	R0320	8,037	-	-	-	-	340,267
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	79	-	-	-	-	52,476
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	7,958	-	-	-	-	287,791

S.17.01.02 - Non-life Technical Provisions

		Direct business and accepted proportional reinsurance					
		Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscella-neous financial loss
		C0080	C0090	C0100	C0110	C0120	C0130
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM							
Best estimate							
Premium provisions							
Gross	R0060	-	-	-	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-
Net Best Estimate of Premium Provisions	R0150	-	-	-	-	-	-
Claims provisions							
Gross	R0160	-	-	-	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-
Net Best Estimate of Claims Provisions	R0250	-	-	-	-	-	-

S.17.01.02 - Non-life Technical Provisions

		Direct business and accepted proportional reinsurance					
		Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscella-neous financial loss
		C0080	C0090	C0100	C0110	C0120	C0130
Total Best estimate - gross	R0260	-	-	-	-	-	-
Total Best estimate - net	R0270	-	-	-	-	-	-
Risk margin	R0280	-	-	-	-	-	-
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	R0290	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-
Technical provisions - total							
Technical provisions - total	R0320	-	-	-	-	-	-
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	-	-	-	-	-	-

S.17.01.02 - Non-life Technical Provisions

		Accepted non-proportional reinsurance				
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross	R0060	-	-	-	-	1,928
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	2,494
Net Best Estimate of Premium Provisions	R0150	-	-	-	-	(567)
Claims provisions						
Gross	R0160	-	-	-	-	327,440
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	50,061
Net Best Estimate of Claims Provisions	R0250	-	-	-	-	277,379

S.17.01.02 - Non-life Technical Provisions

		Accepted non-proportional reinsurance				
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0140	C0150	C0160	C0170	C0180
Total Best estimate - gross	R0260	-	-	-	-	329,368
Total Best estimate - net	R0270	-	-	-	-	276,813
Risk margin	R0280	-	-	-	-	18,936
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole	R0290	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-
Technical provisions - total						
Technical provisions - total	R0320	-	-	-	-	348,304
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	52,555
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	-	-	-	-	295,749

S.19.01.21 - Non-life insurance claims

Z0020 Accident year / Underwriting year: Accident year

Gross Claims Paid (non-cumulative)

Year		0	1	2	3	4	5	6	7	8	9	10 & +	Current year	Sum of years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
Prior	R0100											8,054	8,054	642,268
N-9	R0160	29,911	52,288	18,801	5,193	3,823	949	104	(49)	733	125		125	111,876
N-8	R0170	72,263	50,145	37,947	3,095	2,116	379	689	39	442			442	167,115
N-7	R0180	41,439	55,307	21,103	20,190	3,374	1,129	579	74				74	143,195
N-6	R0190	111,775	47,779	34,477	22,065	16,121	11,432	17,517					17,517	261,166
N-5	R0200	30,088	72,809	19,859	8,669	2,741	8,128						8,128	142,295
N-4	R0210	50,583	73,963	21,611	12,814	13,397							13,397	172,367
N-3	R0220	46,514	58,979	20,257	10,947								10,947	136,697
N-2	R0230	39,859	58,475	32,684									32,684	131,018
N-1	R0240	42,177	97,843										97,843	140,020
N	R0250	53,202											53,202	53,202
Total	R0260												242,413	2,101,220

Gross undiscounted Best Estimate Claims Provisions

Year		0	1	2	3	4	5	6	7	8	9	10 & +	Year end
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
Prior	R0100											6,389	6,118
N-9	R0160	88,654	38,420	14,318	7,285	3,756	1,822	1,573	1,661	1,140	954		914
N-8	R0170	101,256	53,084	11,707	5,519	2,479	2,138	1,273	1,031	781			748
N-7	R0180	88,768	39,916	32,066	8,333	2,776	2,054	1,181	(73)				(70)
N-6	R0190	105,775	59,719	32,745	35,381	34,854	21,245	1,738					1,664
N-5	R0200	108,109	38,400	20,153	10,522	6,768	5,388						5,159
N-4	R0210	134,807	52,271	27,028	12,708	5,685							5,444
N-3	R0220	106,362	45,341	23,147	13,469								12,896
N-2	R0230	119,470	69,397	37,380									35,791
N-1	R0240	188,578	101,739										97,413
N	R0250	168,575											161,364
Total	R0260												327,440

S.22.01.21 - Impact of long term guarantees and transitional measures

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	348,304	-	-	-	-
Basic own funds	R0020	435,970	(435,970)	-	(435,970)	-
Eligible own funds to meet Solvency Capital Requirement	R0050	536,348	(536,348)	-	(536,348)	-
Solvency Capital Requirement	R0090	200,757	(200,757)	-	(200,757)	-
Eligible own funds to meet Minimum Capital Requirement	R0100	435,970	(435,970)	-	(435,970)	-
Minimum Capital Requirement	R0110	62,029	(62,029)	-	(62,029)	-

S.23.01.01 - Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	-	-		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	8,042	8,042		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	427,927	427,927			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Deductions						
Deductions for participations in financial and credit institutions	R0230	-	-	-	-	
Total basic own funds after deductions	R0290	435,970	435,970	-	-	-

S.23.01.01 - Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Ancillary own funds		C0010	C0020	C0030	C0040	C0050
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	-			-	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	-			-	-
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	-			-	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	118,898			118,898	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	118,898			118,898	-
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	554,868	435,970	-	118,898	-
Total available own funds to meet the MCR	R0510	435,970	435,970	-	-	
Total eligible own funds to meet the SCR	R0540	536,348	435,970	-	100,378	-
Total eligible own funds to meet the MCR	R0550	435,970	435,970	-	-	
SCR	R0580	200,757				
MCR	R0600	62,029				
Ratio of Eligible own funds to SCR	R0620	267%				
Ratio of Eligible own funds to MCR	R0640	703%				

S.23.01.01 - Own funds

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	435,970
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	8,042
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	427,927
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	33,363
Total Expected profits included in future premiums (EPIFP)	R0790	33,363

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
Market risk	R0010	54,843		
Counterparty default risk	R0020	21,901		
Life underwriting risk	R0030	-	None	
Health underwriting risk	R0040	9,881	None	*17
Non-life underwriting risk	R0050	155,552	None	*20
Diversification	R0060	(51,302)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	190,876		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	9,881
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	-
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	200,757
Capital add-ons already set	R0210	-
of which, capital add-ons already set - Article 37 (1) Type a	R0211	
of which, capital add-ons already set - Article 37 (1) Type b	R0212	
of which, capital add-ons already set - Article 37 (1) Type c	R0213	
of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement	R0220	200,757

		C0110
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

Simplifications used	USP
1* Simplifications spread risk – bonds and loans 2* Simplifications market concentration risk – simplifications used 3* Captives simplifications - interest rate risk 4* Captives simplifications - spread risk on bonds and loans 5* Captives simplifications - market concentration risk 6* Simplifications - mortality risk 7* Simplifications - longevity risk 8* Simplifications - disability-morbidity risk 9* Simplifications - lapse risk 10* Simplifications - life expense risk 11* Simplifications - life catastrophe risk 12* Simplifications - health mortality risk 13* Simplifications - health longevity risk 14* Simplifications - health disability-morbidity risk-medical expenses 15* Simplifications - health disability-morbidity risk-income protection 16* Simplifications - SLT lapse risk 17* Simplifications - NSLT lapse risk 18* Simplifications - health expense risk 19* Captives simplifications - premium and reserve risk 20* Simplifications used – non-life lapse risk	1* Increase in the amount of annuity benefits 2* Standard deviation for NSLT health premium risk referred to in Title I Chapter V Section 12 of Delegated Regulation (EU) 2015/35 3* Standard deviation for NSLT health gross premium risk referred to in Title I Chapter V Section 12 of Delegated Regulation (EU) 2015/35 4* Adjustment factor for non–proportional reinsurance 5* Standard deviation for NSLT health reserve risk referred to in Title I Chapter V Section 12 of Delegated Regulation (EU) 2015/35 6* Standard deviation for non–life premium risk 7* Standard deviation for non–life gross premium risk 8* Adjustment factor for non–proportional reinsurance 9* Standard deviation for non–life reserve risk

		Yes/No
		C0109
Approach based on average tax rate	R0590	

		LAC DT
		C0130
LAC DT	R0640	-
LAC DT justified by reversion of deferred tax liabilities	R0650	
LAC DT justified by reference to probable future taxable economic profit	R0660	
LAC DT justified by carry back, current year	R0670	
LAC DT justified by carry back, future years	R0680	
Maximum LAC DT	R0690	

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		**MCR components**
		C0010
MCRnl-Result	R0010	62,029

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	**Net (of reinsurance) written premiums in the last 12 months**
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	7,521	23,759
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	269,292	234,441
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

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		MCR components
		C0040
MCRl-Result	R0200	-

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

		C0070
Linear MCR	R0300	62,029
SCR	R0310	200,757
MCR cap	R0320	90,341
MCR floor	R0330	50,189
Combined MCR	R0340	62,029
Absolute floor of the MCR	R0350	3,966
Minimum Capital Requirement	R0400	62,029

S.28.02.01 - Minimum Capital Requirement - Both life and non-life insurance activity

		MCR components	
		Non-life activities	Life activities
		MCR(NL, NL) Result	MCR(NL, L)Result
		C0010	C0020
Linear formula component for non-life insurance and reinsurance obligations	R0010	62,029	-

		Non-life activities		Life activities	
		Net (of re-insurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of re-insurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0030	C0040	C0050	C0060
Medical expense insurance and proportional reinsurance	R0020	7,521	23,759	-	-
Income protection insurance and proportional reinsurance	R0030	-	-	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-	-	-
Other motor insurance and proportional reinsurance	R0060	-	-	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	269,292	234,441	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-	-	-
General liability insurance and proportional reinsurance	R0090	-	-	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-	-	-
Assistance and proportional reinsurance	R0120	-	-	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-	-	-
Non-proportional health reinsurance	R0140	-	-	-	-
Non-proportional casualty reinsurance	R0150	-	-	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-	-	-
Non-proportional property reinsurance	R0170	-	-	-	-

S.28.02.01 - Minimum Capital Requirement - Both life and non-life insurance activity

		Non-life activities	Life activities
		MCR(L, NL) Result	MCR(L, L) Result
		C0070	C0080
Linear formula component for life insurance and reinsurance obligations	R0200	-	-

		Non-life activities		Life activities	
		Net (of re-insurance/SPV) best estimate and TP calculated as a whole	Net (of re-insurance/SPV) total capital at risk	Net (of re-insurance/SPV) best estimate and TP calculated as a whole	Net (of re-insurance/SPV) total capital at risk
		C0090	C0100	C0110	C0120
Obligations with profit participation - guaranteed benefits	R0210				
Obligations with profit participation - future discretionary benefits	R0220				
Index-linked and unit-linked insurance obligations	R0230				
Other life (re)insurance and health (re)insurance obligations	R0240				
Total capital at risk for all life (re)insurance obligations	R0250				

Overall MCR calculation		C0130
Linear MCR	R0300	62,029
SCR	R0310	200,757
MCR cap	R0320	90,341
MCR floor	R0330	50,189
Combined MCR	R0340	62,029
Absolute floor of the MCR	R0350	3,966
Minimum Capital Requirement	R0400	62,029

Notional non-life and life MCR calculation		Non-life activities	Life activities
		C0140	C0150
Notional linear MCR	R0500	62,029	-
Notional SCR excluding add-on (annual or latest calculation)	R0510	200,757	-
Notional MCR cap	R0520	90,341	-
Notional MCR floor	R0530	50,189	-
Notional Combined MCR	R0540	62,029	-
Absolute floor of the notional MCR	R0550	3,966	-
Notional MCR	R0560	62,029	-