Maersk Insurance A/S
Solvency and Financial Condition Report
Financial Year ended 31st December 2019

Executive Summary

Due to the harmonised EU-wide regulatory regime for Insurance Companies, known as Solvency II, all insurers need to publish a Solvency and Financial Condition Report ("SFCR") on the Company's public website. This is the SFCR report published by Maersk Insurance A/S (MIAS).

This report covers the Business and Performance of MIAS, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management. The ultimate responsibility for all of these matters is with MIAS' Board of Directors with the support of various governance and control functions that have been put in place to monitor and manage the business.

MIAS is an active retention vehicle operated as a captive for the A. P. Moller – Maersk A/S and its subsidiaries, and the focus of the Board and Management Team is the orderly management of the existing book of policies in line with their policy terms and conditions. The board can make discretionary decisions on delivering insurance cover to other parts of the Maersk family. For the moment being the board has decided to deliver coverage to:

Maersk Holding and Maersk Tankers

MIAS´s strategy is to insure own assets and employees or assets and employees under management control. MIAS is required to hold sufficient capital to match its policyholder liabilities at all times and a primary responsibility of the Board is to ensure that MIAS's capital is adequate to cover the required solvency for the nature and scale of the business and the expected operational requirements of the business. A number of mechanisms are in place to evaluate those levels and the outcome of those assessments indicate that MIAS's capital is adequate at this time and for the expected requirements in the short to medium term.

The board of MIAS is involved in strategic decisions as well as significant decisions which fall outside the scope of the management

MIAS has to a large extent outsourced the operation, including Risk Management, Compliance, Actuarial, Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting, IT, etc. Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting and IT are outsourced to the parent company. The Risk Management, Actuarial and Compliance functions are outsourced to external parties.

The Risk Management function operates under the defined policies and guidelines, continuously monitoring the risk exposure and maintaining a risk register covering Strategic risks, Operational risks, Market risks, Underwriting risks and Default risks. MIAS' management is informed of any significant changes to the risk picture, on a regular basis.

The insurance risks MIAS carries, i.e. Marine, Energy, Terminals and Employee Benefit Insurance, are aligned with the limits stated in the risk appetite and strategy, as established by the Board of Directors. MIAS protects itself against cumulative risk by capping its exposure at fixed maximum liability amounts through reinsurance. Once a year, MIAS performs and reports an Own Risk Solvency Assessment (ORSA) to the Danish FSA. MIAS' assets, technical provisions and other liabilities are valuated under Solvency II.

The management of own funds is governed by the Policy for Capital Structure where the overall responsibility and tasks are defined. According to this policy, the equity of the company must be sufficient to ensure the continued operation of the company and at the same time sufficient to meet all regulatory requirements. The company is constantly focusing on matters which might influence the capital structure, e.g. the company's investment policy. The value creation of the company is meant to primarily be generated from acceptance of insurance risk rather than by acceptance of investment risk. The time horizon for business planning including development of own funds is minimum 3 years.

MIAS' underwriting profit (Technical Profit) for 2019 was USD 20,1 million and the solvency ratio by end 2019 was 284 %.

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A. Business and Performance

A.1 Business

Maersk Insurance A/S (MIAS) was established 28 February 2011 and started operation 1 January 2012. MIAS operates as a Captive for the A.P. Moller - Maersk Group. The board can make discretionary decisions on delivering insurance cover to other parts of the A.P. Moller – Maersk family. For the moment being the board has decided to deliver coverage to:

Maersk Holding and Maersk Tankers

MIAS provides insurance protection for selected risks world-wide:
- The Company name is: Maersk Insurance A/S
- The Company address is: Esplanaden 50, 1098 Copenhagen K, Denmark

MIAS is incorporated as a privately owned company with limited liability (A/S: Aktieselskab) and is a 100 % owned subsidiary of A. P. Moller - Maersk A/S. MIAS has granted a loan to the parent company A.P. Moller - Maersk A/S according to permission from the Danish Financial Supervisory Authority (Finanstilsynet). The loan yields interest at arm's length basis. MIAS has entered into an agreement with A.P. Moller - Maersk A/S related to fees for risk management and other services for Captive operation.

MIAS is domiciled in Denmark and is under supervision from the Danish Financial Supervisory Authority (DFSA), Århusgade 110, 2100 Copenhagen Ø, and Maersk Insurance A/S´ main contact person at DFSA is: Birgitta Nielsen.

MIAS has license to conduct direct insurance and reinsurance business for the below listed insurance classes:

Non-life:
- 1 (Accident)
- 2 (Illness/Health)
- 6 (Fully comprehensive insurance for ships)
- 8 (Fire and natural forces)
- 9 (Other damage to property)
- 12 (Third party liability for ships)
- 13 (General liability)
- 16 (Miscellaneous financial losses)

Further, MIAS has license to conduct reinsurance of life insurance, class 1c.

MIAS is audited by PriceWaterhouseCoopers (PWC), Strandvejen 44, 2900 Hellerup, and Maersk Insurance A/S´ main contact person at PWC is: Per Rolf Larssen.

As per 1 January 2019, the MIAS´s Board of Directors consists of:
- Jan Kjærvik (Chairman)
- Palle Brødsgaard Laursen
- Martin Herrstedt
- Fatiha Benali

MIAS has an audit committee, including an external independent member with accounting and audit qualifications:
- Fatiha Benali (Chairman - external)
- Jan Kjærvik (internal)

MIAS´s management consists of three part-time employees:

- Lars Henneberg (MD), who holds both the Actuarial, Risk Management and the Compliance key functions
- Steen Ragn, Key function for Actuary for Life and the appointed actuary
- Peter Hansen, who holds the Internal Audit key function

MIAS has to a large extent outsourced the operation, including Risk Management, Compliance, Actuarial, Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting, IT, etc. Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting and IT are outsourced to the parent company. The Risk Management, Actuarial and Compliance functions are outsourced to external parties.

Further, MIAS operates through fronting companies in order to reduce the operational tasks to a minimum and to benefit from the operational efficiencies of large global insurance carriers. The fronting activities consist predominately of policy administration and to some extent underwriting and claims handling. Separate claims handing agreements with third parties have also been entered into.

MIAS underwrites risks within the business areas of Marine, Logistics and Terminals. MIAS underwrites non-life business such as Property and Casualty classes. As from 1st of January 2020, MIAS also underwrites Life, Disability, Medical and Accident.

More specifically, MIAS underwrites coverages for Property Damage, Operator's Extra Expense, Loss of Production Income, Third Party Liability, Hull and Machinery, incl. Collision Liability, Owner Total Loss Interest, War coverage, Natural Catastrophe, Business Interruption, Construction All Risk, Umbrella Liability, Employment Practices Liability, Pension Trustee Liability, and Specialty Risk, Terminal Operators Loss, Freight Services Liability and Cyber.

MIAS underwrites risk both as reinsurance and as direct insurance in non-life.

MIAS mitigates and protects the capital by procurement of reinsurance and retrocession. In accordance with MIAS´s reinsurance policy, all reinsurers must have a minimum A- rating by Standard & Poor's or similar. The reinsurance enables MIAS to operate as both a net line and a gross line captive in order to reduce volatility and create diversification as a response to a changing insurance market. Further, the use of reinsurance creates a platform for MIAS to respond to market dynamics, both when the market is softening through overcapacity of capital due to increased competition between insurance carriers with growth strategies, or when the market is hardening, and the capital is withdrawn from the insurance market and the competition is less efficient.

The development during the reporting period has predominately been influenced by change of strategy, where the majority of programs renewed in 2019 are being fronted by Allianz and by Gard for Marine business. For Allianz, all risk is being reinsured to MIAS. MIAS in turn retrocede risk it does not want to retain. Policies renewing during 2019 have been written for a period which ensures that the policies expire end 2020, where after the intention is that all policies will follow the calendar year. A number of large programs were therefore written for a 19 months period which has increased gross written premium and written reinsurance premium.

A.2 Insurance Results

MIAS underwrites risks within the business areas of which MIAS holds a license – see A.1.

Claims are limited per incident and for most programmes also on a yearly aggregate. As of the end of December 2019, MIAS's maximum net exposure is limited for Property to USD 30 million and for Casualty USD 12.5 million.

MIAS´s gross written premium in 2019 was USD 135.0 million with a return on equity of 10 %. MIAS's Underwriting profit (Technical Profit) for 2019 amounts to USD 20.1 million (2018: USD 12,4 million). The result is satisfactory:

Year (USD)	Total gross written premium	Total net earned premium	Total gross claims incurred	Total net claims incurred	Operating Expenses	Profit before tax	Combined ratio
2012	69,531,000	45,112,000	-30,768,000	-30,768,000	-2,736,000	12,121,000	74%
2013	49,919,000	50,797,000	-33,960,000	-33,960,000	-2,567,000	14,599,000	73%
2014	82,075,000	59,579,000	-28,360,000	-28,360,000	-1,557,000	30,365,000	59%
2015	76,445,000	54,239,000	-45,633,000	-40,458,000	-258,000	14,580,000	82%
2016	50,200,000	23,129,000	-3,360,000	-429,000	1,628,000	26,380,000	60%
2017	52,060,000	4,531,000	-23,043,000	-1,451,000	2,864,000	8,935,000	89%
2018	60,292,000	12,217,000	-99,099,000	-3,299,000	3,282,000	16,766,000	79%
2019	135,001,000	34,432,000	-19,997,000	-15,248,000	437,000	24,841,000	74%

The 2019 Underwriting results split per industry segment:

Segment (USD)	Total gross written premium	Total net premium earned	Total gross claims incurred	Total net claims incurred	Operating Expenses*	Technical Result	Profit before tax
Marine	78,627,000	19,567,000	-12,053,000	-9.662,000	1,000	9,773,000	
Terminals	40,124,000	10,294,000	-227,000	485,000	376,000	11,292,000	
Others	16,250,000	4,471,000	-7,717,000	-6,071,000	60,000	-982,000	
Total	**135,001,000**	**12,217,000**	**-99,099,000**	**-15,248,000**	**437,000**	**20,083,000**	**24,841,000**

*including reinsurance commission

For 2020, MIAS expects profitable growth and further centralisation of the insurance procurement and deployment of MIAS accordingly. The continuing consolidation of Group risks to a centralised operation from local procurement, supports MIAS's strategy to underwrite additional risks and deploy the capital most efficiently. Budgets and projections have been made on the existing business model to further develop the captive to the benefit of the Group. The company expects a positive result for 2020.

A.3 Investment Results

MIAS´s investments have a low risk profile. MIAS is required to maintain assets to match the policyholder´s liabilities at all times. MIAS invests in accordance with the investment policy approved by the Board of Directors.

The asset management is outsourced. MIAS´s investment policy reflects MIAS´s risk appetite. Investments are predominately made in government and mortgage bonds with short duration, in short-term deposits, and in a loan to the parent company.

The investment income is benchmarked up against an adequate index and is reported on a monthly basis to the management and to the board at all board meetings.

MIAS´s investment portfolio and the result from Investment activities:

Instrument (USD)	2019	2018	2017	2016	2015
Interest on Danish mortgage bonds			75,000	75,000	75,000
Interest on Government bonds			498,000	985,000	1,189,000
Interest loan APMM	3,680,000	3,120,000	1,225,000	973,000	391,000
Interest deposits	331,000	-99,000	31,000	-115,000	6,000
Value adjustments	1,237,000	1,545,000	1,162,000	188,000	-315,000
Total	**5,248,000**	**4,566,000**	**2,991,000**	**2,106,000**	**1,346,000**

The result of the investment activities was satisfactory.

A.4 Results of Other Activities

MIAS does not perform other activities generating other income or results.

A.5 Any other information

All relevant information for MIAS' business and performance is given in the above sections.

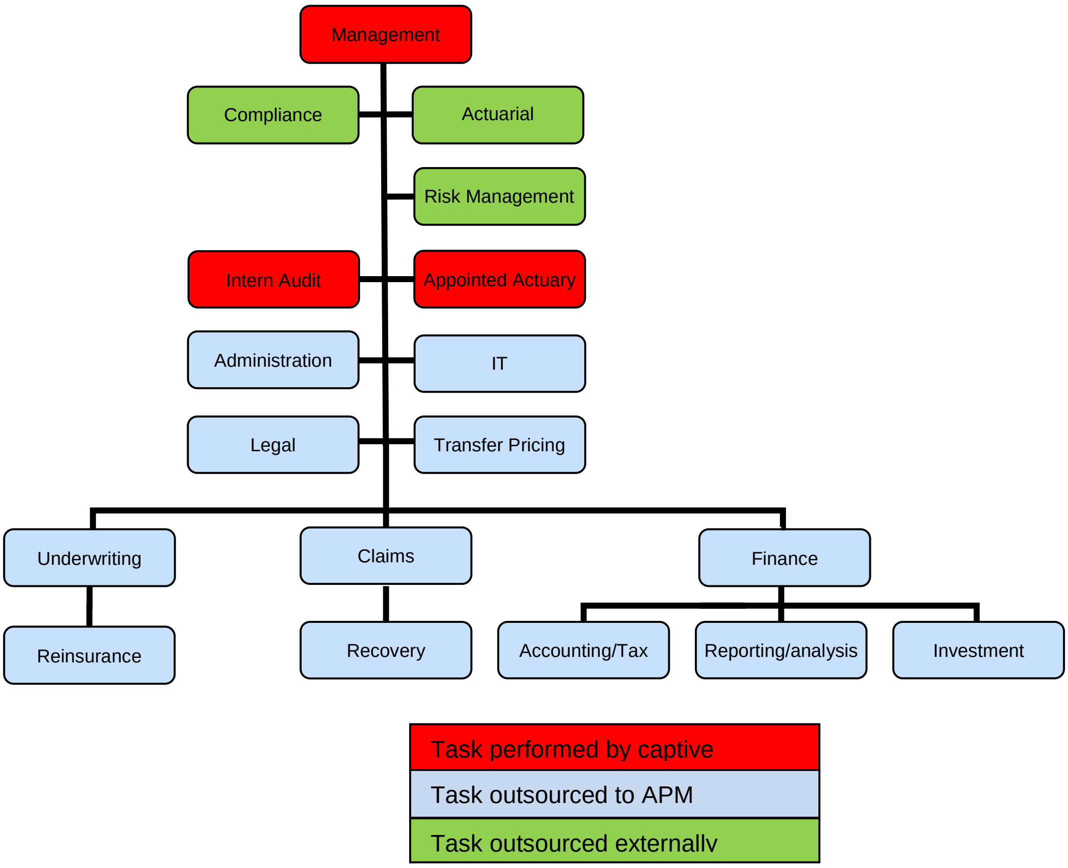
B. Management System

B.1 General Remarks

MIAS´s management consists of three part-time employees:

- Lars Henneberg (MD), who holds both the Actuarial, Risk Management and the Compliance key functions
- Steen Ragn, Key function for Actuary for Life and the appointed actuary
- Peter Hansen, who holds the Internal Audit key function

MIAS has to a large extent outsourced the operation, including Risk Management, Compliance, Actuarial, Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting, IT, etc. Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting and IT are outsourced to the parent company. The Risk Management, Actuarial and Compliance functions are outsourced to external parties.



The 4 key functions have the following key persons:

Internal audit function	Compliance function	Actuarial function	Risk management function
Peter Hansen	Lars Henneberg	Lars Henneberg Steen Ragn Andersen (Life)	Lars Henneberg

Lars Henneberg is also Managing Director, and Lars Henneberg, Steen Ragn and Peter Hansen are the only employees of MIAS as all the other functions are outsourced.

Under Lars' guidance and leadership EY is hired to perform the duties of the compliance and risk management functions and Miller is hired to perform the duties of the actuarial function.

In 2019 MIAS has extended the license to operate to include employee benefit insurance.

B.2 Fitness and Propriety (Fit and Proper)

Legal requirement
FIL § 64 defines the requirements which individual members of the board and the management of financial companies must meet with regard to fit and proper requirements.

Individual requirements for suitability - Fit and Proper assessment
The requirements for Fit & Proper imply that members of the Board and the management must:

- have sufficient knowledge, skills, and experience to carry out the duties in the company
- have a good reputation
- not become subject to criminal liability
- not be in bankruptcy
- not have caused the company a loss or risk of loss

The above requirements must be fulfilled from the time of appointment of the key persons throughout the period of duties.

The managing director and the board of directors are fit and proper

B.3 Risk management and ORSA

MIAS's Managing Director must keep the Chairman of the Board informed of all issues of significant relevance to MIAS. The following issues must be presented to the Board for approval:

- loan agreements, guarantees, or security which are not part of the usual business
- significant changes in existing agreements with bank connections
- purchase, sale, or mortgaging of the most significant assets of MIAS, including properties or facilities
- making of significant changes in MIAS's structure, including the capital structure or type of business
- significant changes to the operating budgets
- start of significant new activities, including activities within new classes of insurance
- significant changes to the organisation of MIAS, including significant reductions and increases in the number of employees
- entering into settlements in larger trial cases or arbitrations
- entering into or changes to reinsurance agreements
- activities or matters that fall outside the description of MIAS's description of procedures and operational plan
- activities which fall outside the guidelines and policies

The Board follows the "Rules of procedure for the Board" and "Board meeting plan (årshjul)".

Risk Management Function
MIAS requires that the risk management function must:
- assist the Board and other functions in the effective operation of the risk management system
- monitor the risk management system and the general risk profile of MIAS as a whole
- provide detailed reporting on risk exposures and advising the Board on risk management matters, including strategic affairs such as corporate strategy, mergers and acquisitions, major projects, and investments
- report to the Board at least on an annual basis
- identify and assess emerging risks
- ensure the effectiveness of the risk management system according to MIAS's risk appetite and overall risk tolerance limits, as well as manage the main risk management strategies and policies
- establish, implement and maintain a risk management system to be undertaken in the upcoming years when taking into account all activities and the complete system of governance of MIAS

- take a risk-based approach in deciding its priorities
- verify compliance with the decisions taken by the Board of the undertaking on the basis of the recommendations
- co-operate closely with the actuarial function
- provide self-assessment of the function and the processes and implement or monitor needed improvements

A part of the risk management functions duties is to manage MIAS risk register. All risks are governed by a risk owner how is asked to update the assessment of the risk on a frequent basis. The risk owners are also asked to identify new risks.

ORSA
The Risk management function must conduct MIAS's own risk and solvency assessment, ORSA. The ORSA is an integrated part of the business strategy and is taken into account in the strategic decisions of MIAS on an ongoing basis.

B.4 Internal Control system

Internal controls are carried out by staff responsible for performing operational tasks in MIAS (1st line of defence). Controls are designed to monitor significant risks to MIAS and ensure appropriate assurance that such risks are adequately managed.

Controls are documented and signed off by the person who has performed the control. An independent review of controls is performed by separate staff (4 eyes principle). The Compliance function with support from the Risk management function (2nd line of defence) perform spot checks on selected controls on a quarterly basis to ensure that controls have been carried out as intended and have been documented.

The monthly control overview is discussed with the Managing Director who signs off on the status of control activities. Internal Audit receives a copy of the overview signed by the MD. At every meeting in the Audit Committee, control sheets are reviewed.

The overall assessment of the adequacy and effectiveness of the internal control system is performed by Internal Audit (3rd line of defence).

It is ensured, that 2nd and 3rd line of defence is independent of daily operations.

The Compliance function
MIAS requires that the compliance function must:

- establish, implement and maintain appropriate activities to identify, assess, report on key legal and regulatory obligations
- ensure MIAS monitors and has appropriate policies and controls in respect of key areas of legal and regulatory obligation
- hold regular training on key legal and regulatory obligations
- address compliance shortcomings and violations
- report the compliance plan to the Board of MIAS, including ensuring that adequate disciplinary actions are taken and any necessary reporting to the supervisor or other authorities is made
- issue a compliance report to the MIAS Board based on the results of work carried out including findings and recommendations to the Board
- submit the compliance report to the Board at least on an annual basis
- verify compliance with the decisions taken by the Board on the basis of the recommendations
- conduct regular self-assessments of the compliance function and the compliance processes and implement or monitor needed improvements

B.5 Internal Audit Function

MIAS's Internal Audit function must:

- review the adequacy and effectiveness of the main governance process installed by other governance functions on a regular basis
- ensure a fair exchange of information with other governance functions
- discuss with other governance functions risk categorisation, opinion parameters, reporting tools, materiality metrics, etc. and thus enable all governance functions to speak to the Board using the same language
- use the output from other governance functions to build independent risk-oriented audit plans. Internal Audit must proactively work to enhance effective collaboration, clear responsibilities, and peer acceptance with other governance functions in addition to obtain Board approval of the above-mentioned topics

MIAS requires that the Internal Audit function must:

- establish, implement, and maintain an audit plan disclosing the audit work to be undertaken in the upcoming years when taking all activities and the complete system of governance into account
- take a risk-based approach in deciding its priorities
- report the audit plan to MIAS's Board of Directors of the undertaking
- issue an internal audit report to the Board of Directors based on the result of work carried out in accordance with point (a) including findings, recommendations, the appointed period of time to remedy the shortcomings as well as the persons responsible, and information on the achievement of audit recommendations
- submit the internal audit report to the Board of Directors of the undertaking at least on an annual basis
- verify compliance with the decisions taken by the Board of Directors of the undertaking on the basis of the recommendations
- provide self-assessment

B.6 Actuarial Function

The actuarial function contributes to the effective implementation of the risk management system, particularly with regard to the models that serve as a basis for the calculation of the solvency capital requirement and the minimum capital requirement, cf. Sections 126(c) and 126(d) of FIL, and the company's assessment of own risk and solvency. The actuarial function co-operates with the risk management function and contributes to solving that function's tasks whenever it is relevant. The actuarial function handles all the required technical tasks which fall on the function in accordance with the legislation in force from time to time. For completeness, the activities of the Actuarial Function are outlined in Article 48 of the Solvency II regulation as described below:

1. Insurance and reinsurance undertakings shall provide for an effective actuarial function to:
   a) coordinate the calculation of technical provisions;
   b) ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
   c) asses the sufficiency and quality of the data used in the calculation of technical provisions;
   d) compare best estimates against experience;
   e) inform the administrative, management or supervisory body of the reliability and adequacy of the calculation of technical provisions;
   f) oversee the calculation of technical provisions in the cases set out in Article 82;
   g) express an opinion on the overall underwriting policy;
   h) express an opinion on the adequacy of reinsurance arrangements; and
2. contribute to the effective implementation of the risk-management system referred to in Article 44, in particular with respect to the risk modelling underlying the calculation of the capital requirements set out in Chapter VI, Sections 4 and 5, and to the assessment referred to in Article 45.The actuarial function shall be carried out by persons who have knowledge of actuarial and financial mathematics, commensurate with the nature, scale and

complexity of the risks inherent in the business of the insurance or reinsurance undertaking, and who are able to demonstrate their relevant experience with applicable professional and other standards.

B.7 Outsourcing

Outsourcing important areas of activity are decided by the Board of Directors.

There are regular reports to the Board of Directors to ensure compliance is followed. The Board of Directors assess regularly whether activities are being carried out satisfactorily.

On establishment of the contract, MIAS assess whether the service provider possesses the ability and capacity to carry out the outsourced activities satisfactorily and, in this respect, has the licenses required by the relevant legislation for the specific outsourcing area.

MIAS regularly check that the service provider meets the obligations in the contract. The outsourcing undertaking must monitor whether, in carrying out the outsourced activities, the service provider is complying with the relevant regulations for the area.

If the service provider fails to meet the requirements of the contract and the relevant provisions for the specific outsourcing area, MIAS will take appropriate measures to ensure that the service provider meets these and, if necessary, MIAS itself or through contracting with a new service provider ensures that the requirements of the contract and the relevant provisions for the specific outsourcing area are met within an appropriate time limit given the circumstances.

MIAS ensures adequate insight to ensure that the service provider and the service meet the requirements of the contract and the relevant provisions for the specific outsourcing area.

MIAS has to a large extent outsourced the operation, including Risk Management, Compliance, Actuarial, Underwriting, Reinsurance, Claims handling, Legal, Tax, Accounting, Investment, Reporting, IT, etc.
Underwriting, Reinsurance, Legal, Tax, Accounting, Investment, Reporting and IT are outsourced to the parent company. The Risk Management, Actuarial, Claims handling and Compliance functions are outsourced to external parties.

B.8 Any other information

Remuneration/Salary
The Chairman of the Board of MIAS submits the remuneration policy for the general assembly at the annual general meeting with regard to management's wages.

The Board carries out ongoing monitoring and verification of the wage policy and performs review of the policy at least once yearly.

MIAS has fixed salary and no pension scheme.

C. Risk Profile

MIAS's Board of Directors has identified and evaluated a register of risks. As an addition to the risks described below MIAS' top 10 risks can be found in Appendix 1 with specific scenarios, which could affect MIAS and how they are mitigated or accepted.

C.1 Insurance Risks

The risks MIAS insures are analysed and approved by the Board in accordance with the company's concession, strategy, risk appetite, and procedure manual. MIAS estimates the desired and acceptable level of risk, overall and for each sub category. This assessment is made with respect to the company's capital, and MIAS may choose to take part in the risk under the lead of an external insurance company. MIAS engages in net risk retention throughout and retains up to USD 600 million (gross). Risk appetite and other metrics for maximum exposure are expressed in net terms.

MIAS insures risks for Energy, Marine, Terminals and consolidated global programmes within the A.P. Moller - Maersk Group. The company participates in insurance programmes that are in line with the company's risk appetite, subject to approval by the Board of Directors. The risks the parent company wishes to insure through the captive are assessed in terms of the expected premium to the expected damage so only financially feasible risks are insured.

Geographically, the company can take risks worldwide, wherever there is no requirement for local insurance and where the A.P. Moller - Maersk Group's insurable interests are represented. MIAS uses an external insurance company for most risks and local fronting companies where local subscription is required.

Risk appetite

MIAS´s risk appetite is constituted by the maximum possible net exposures undertaken (net of reinsurance cover) and is defined by the Board of Directors as listed below:

Description	Threshold
Marine (H&M, War)	USD 25 million per occurrence, and USD 50 million per year in the aggregate
Energy (PD, LOPI)	USD 50 million per occurrence, and USD 100 million per year in the aggregate
Terminal (PD,BI)	USD 30.0 million per occurrence, and USD 30.0 million per year in the aggregate
Global Property (PD,BI)	USD 45 million per occurrence
Global Casualty, TOL & FSL	USD 10 million per occurrence USD 20 million per year in the aggregate
Umbrella Liability	USD 25 million per occurrence
Employment Practices Liability	USD 25 million per occurrence, and USD 25 million per year in the aggregate
Pension Trustee Liability	USD 25 million per occurrence, and USD 25 million per year in the aggregate
Special Risk	USD 25 million per occurrence, and USD 25 million per year in the aggregate
Terminal Warehouse Liability	USD 25 million per occurrence, and USD 25 million per year in the aggregate
Cyber	USD 25 million per occurrence, and USD 25 million per year in the aggregate

Description	Threshold
Employee Benefit	USD 25 million per occurrence

Net risk retention

MIAS´s current exposure is comprised of the difference between gross retention and the reinsurance or retrocession protection procured and equals the net retention. Thus, the gross retention is mitigated by the use of reinsurance or retrocession. The current exposure is expected to be equal to, or less than, the risk appetite. MIAS´s net retention (net of reinsurance cover) is for the policy period 2018-2020:

Description	2018/19 exposure	1 June 2019/20 exposure
Marine (H&M, War)	USD 15 million per occurrence	USD 15 million per occurrence (each peril and each interest per peril – any one vessel)
Terminal (PD, BI)	USD 30.0 million per occurrence	USD 30.0 million per occurrence
Global Property (PD)	USD 45.0 million per occurrence	USD 10.0 million per occurrence
Global Casualty (TPL)	USD 5.0 million per occurrence	USD 5.0 million per occurrence
Terminal Operators Liability	USD 7.5 million per occurrence	USD 5 million per occurrence
Freight Services Liability	USD 7.5 million per occurrence	USD 5 million per occurrence
Umbrella Liability	USD 12.5 million per occurrence	USD 5 million per occurrence[1]
Employment Practices Liability	USD 12.5 million per year in the aggregate	USD 12.5 million per year in the aggregate
Pension Trustee Liability	USD 12.5 million per year in the aggregate	USD 12.5 million per year in the aggregate
Special Risk	USD 10.0 million per occurrence	USD 10.0 million per occurrence
Cyber Insurance	USD 25.0 million per occurrence	USD 10 million per occurrence[2]
MCI Liability	USD 0.5 million per occurrence	USD 0.5 million per occurrence
Employee Benefit	N/A	USD 5 million per event

Running alongside these exposures is a structured umbrella reinsurance program which caps losses at USD 50 million per event and USD 250 million in annual aggregate. See page 13 for a more detailed overview of the reinsurance program.

[1] As of 1st of November 2019.
[2] As of 27th of October 2019, no risk retained during 2019 prior to that date.

C.2 Market Risks

MIAS is exposed to a selected range of market, counterparty, and credit risks which are summarised in the table below. All risks that MIAS is exposed to are approved by the Board of Directors.

Description	Limit	Actual exposure
Interest rate risk	5 % of total assets on a 100 bp change in the interest rate	Limits are met
Products not allowed for trading	Geared investments, options or other exotic products, premium bonds, mutual funds or other types of pooled investments	Limits are met
Currencies allowed for trading	USD, DKK, EUR, SEK, NOK, CHF, GBP, JPY, AUD and CAD If not USD, the currency risk must be hedged	Limits are met
Other investments	5 % of total assets for corporate bonds, stocks and capital shares	Limits are met

C.3 Credit Risks

MIAS is exposed to a selected range of market, counterparty, and credit risks which are listed in the table below. All risks that MIAS is exposed to are approved by the Board of Directors.

Description	Limit	Actual exposure
Counterparty rating requirements	• Government bonds and mortgage bonds minimum rating of S&P AA or equivalent. Exceptions are Danish or US government bonds • All other investments have a minimum counterparty rating requirement of S&P A- or equivalent • No rating requirement for the parent company A. P. Moller - Maersk A/S • Reinsurers must have a minimum rating S&P A- or similar	Limits are met
Asset types allowed for trading*	• Loans to parent company A. P. Moller - Maersk A/S • Cash at banks • Bonds or debt instruments issued or guaranteed by governments or regional authorities in Zone A • Bonds traded on regulated markets in countries within the European Union or in the US • Danish mortgage bonds, mortgage covered bonds and covered bonds issued by mortgage banks, financial institutions or ship financing institutions • Corporate bonds listed on a stock exchange in EU / EEA countries • Stocks and capital shares listed on a stock exchange in EU / EEA countries	Limits are met
Concentration risk** maximum per single counterparty	• 15 % of total assets in a single financial institution • Total exposure to a financial counterparty, which operates both banking and mortgage business is limited at 30 % of total assets, of which 15 % to the bank and 15 % to the mortgage business • No limit for Danish or US government issued bonds	Limits are met
Cumulative exposure	• Cash at banks limited to 50 % of total assets • Corporate bonds, stocks and equity accumulated limited 15 % of total assets and each asset type is limited to 10 % of total assets	Limits are met

* Exposure defined as loans, deposits, bonds and shares, and market-to-market of derivatives.

**Concentration risk for the company's risks from excessive reliance on a particular asset class, investment market or a particular investment.

A.P. Moller - Maersk's reinsurers are selected in accordance with the following criteria:

- Minimum rating S&P A- or similar
- Good level of capital surplus which also takes into account the potential gross exposures and ratings
- MIAS has a large number of high-quality reinsurers and therefore benefits from diversification

As of Q4 2019, MIAS had procured USD 868,7 million in reinsurance protection from app. 43 reinsurers:

	Sum of Risk Proportion	Max of Default Probability	Rating
Blended PDTPL			
TT CLUB MUTUAL INSURANCE LTD	100%	0,06%	A-
Construction			
LLOYD'S OF LONDON LTD	58%	0,08%	A+
HDI GLOBAL SPECIALTY SE	19%	0,08%	A+
STARSTONE INSURANCE LTD	14%	0,06%	A-
PARTNER RE INSURANCE IRELAND	9%	0,05%	A+
EBI			
LLOYD'S OF LONDON LTD	90%	0,08%	A+
MARKEL INSURANCE CO	10%	0,08%	A+
Financial Lines			
LLOYD'S OF LONDON LTD	53%	0,08%	A+
CHUBB EUROPEAN GROUP SE	17%	0,00%	AA+
GERLING-KONZ GLOB RUCKVERSIC	8%	0,08%	A+
ASSICURAZIONI GENERALI	5%	0,08%	A+
ALLIANZ GLOBAL CORPORATE & S	4%	0,00%	AA
AIG EUROPE SA	4%	0,08%	A+
AMERICAN INTERNATIONAL REINS	4%	0,08%	A+
ROYAL & SUN ALLIANCE INS PLC	3%	0,05%	A
AXIS SPECIALTY LTD	2%	0,05%	AA-
H&M			
GARD MARINE & ENERGY INSURAN	31%	0,08%	A+
MS FIRST CAPITAL INSURANCE L	14%	0,05%	A
ASSURANCEFORENINGEN SKULD GJ	14%	0,05%	A
GREAT AMERICAN INSURANCE CO.	10%	0,05%	AA-
IRB BRASIL RESSEGUROS SA	7%	0,05%	A
SIAT - SOCIETA' ITALIANA ASS	7%	0,06%	A-
FOERSAEKRINGSAKTIEBOLAGET LI	6%	0,06%	A-
LLOYD'S OF LONDON LTD	5%	0,08%	A+

	Sum of Risk Proportion	Max of Default Probability	Rating
SCOR GLOBAL P&C SE	5%	0,01%	Aa3[3]
Liability			
LLOYD'S OF LONDON LTD	86%	0,08%	A+
ZURICH INSURANCE PLC	7%	0,05%	AA-
AIG EUROPE LTD	3%	0,05%	A
HAMILTON INS CO LTD	2%	0,05%	A-
XL INSURANCE CO SE	2%	0,05%	AA-
Property			
LLOYD'S OF LONDON LTD	23%	0,08%	A+
XL INSURANCE CO SE	22%	0,05%	AA-
ZURICH INSURANCE PLC	19%	0,05%	AA-
TRYG FORSIKRING A/S	8%	0,05%	A
MUENCHENER RUECKVER AG-REG	6%	0,00%	AA
SWISS RE INTERNATIONAL SE	5%	0,00%	AA
AVIVA INSURANCE LTD	4%	0,05%	AA-
W.R Berkley Europe AG	3%	0,05%	A+
STARR INTERNATIONAL (Europe) limited	3%	0,05%	A[4]
AXIS INSURANCE CO	2%	0,05%	AA-
ASPEN INSURANCE UK LTD	2%	0,05%	A
GERLING-KONZ GLOB RUCKVERSIC	2%	0,08%	A+
TT CLUB MUTUAL INSURANCE LTD	0%	0,06%	A-
Structured			
HANNOVER RUECK SE	100%	0,00%	AA

Reinsurance defaults: the minimum ratings (see above table) imply a low probability of default. There is a risk of systemic default in which the entire insurance market is affected. However, this is a risk that would be difficult to mitigate other than via applying minimum ratings to insurers and reviewing the panel of reinsurers on a regular basis.

C.4 Liquidity Risks

Due to the nature of the business model, the liabilities in MIAS are short termed as they are mainly consisting of claims which are one-time payments. In order to match the duration of the liabilities, the assets are short termed as well. The loan to the parent company can be withdrawn with 48 hours' notice, and all deposits are of few months' duration. This ensures a balanced liquidity in MIAS where claims can be paid on time even with short notice.

[3] Moody rating
[4] AMbest rating

C.5 Operational Risks

The Board has assessed that the following types of events are a part of operational risks:

- losses due to administration errors to the extent they are not covered by the administrator (the supplier in the outsourcing agreement)
- costs resulting from fraud
- costs due to key staff severance
- losses due to the termination of the outsourcing agreement by the system administrator
- losses due to IT downtime, fire damage, etc.

The list is not exhaustive.

The policy for operational risk states that administrative tasks are outsourced to the parent company, which according to the outsourcing agreement is assumed to run administration and IT at a comfortable level.

Economic losses caused by reasons other than insurance events and developments in the financial market are continuously recorded based on booked loss values.

To ensure that management is aware of operational risks in MIAS, they review a quarterly written report containing the following:

- losses in excess of DKK 250,000 (must be recorded and reported)
- events that could have led to a loss of DKK 250,000 (must be recorded and reported)
- assessment of the company's current operational risks and the likelihood that a given event occurs
- description of the risk minimisation measures undertaken to avoid/minimise the recurrence of loss/risk of loss
- other relevant information

A specific operational risk assessment can be found in appendix 1.

C.6 Other material risk

A recent strategic risk consideration has been the viability and future of the MIAS business model in light of the structural changes undertaken by the parent company. MIAS's existing business model rests on the size and diversity of the Group exposure and hence the restructuring initiative, may erode the original business case. As an ultimate consequence, MIAS may be reduced in relevance, potentially to a level of being entirely obsolete.

C.7 Any other information

Main Activities

Fronting

MIAS operates through fronting companies in order to reduce the operational tasks to a desired minimum and to benefit from the operational efficiencies of large global insurance carriers.

The fronting activities consist predominately of policy administration and to some extent underwriting and claims handling.

Outsourcing

MIAS has to a large extent outsourced the operation, including underwriting, reinsurance, claims handling, actuarial services, legal, tax, accounting, investment, reporting, IT, risk management functions, etc.

Underwriting, reinsurance, legal, risk management, tax, accounting, investment, reporting, IT are outsourced to the parent company.

The actuarial function, claims handling, compliance and risk function are outsourced to external parties.

D. Valuation for solvency purpose

D.1 Assets

The table below sets out MIAS's assets under IFRS and Solvency II Bases as at 31 December 2019. The total assets reduce from management accounting treatment ($418,986m) to Solvency II ($417,642m) which reflects the balance sheet treatment under Solvency II.

The main area of difference between the two valuations is in the valuation of Reinsurers' technical provisions and in deferred tax assets, as detailed in the table below.

Assets	Management Accounting	Solvency II
Receivables	18.0	18.0
Deferred tax assets	-	2.1
Liquid Funds	5.6	5.6
Short term deposits	85.7	85.7
Loan to APMM	146.0	146.0
RI Technical Provisions	92.3	88.8
Claims Provision	*52.2*	*50.2*
Premium Provision	*40.1*	*38.7*
Insurance debtors	71.3	71.3
Total assets	**419.0**	**417.6**

All monetary amounts in USD thousands.

The reinsurance share of technical provisions reduces accounting treatment from ($92,319m) to SII ($88,841m). Technical provisions are valued on a "best estimate" basis, taking account of the timing and likelihood of payments. Likelihood of payment takes into account the credit ratings of reinsurers (adjustment for default). The discounting takes into account the assumed settlement patterns (see liability valuation) and current interest rates. The effect can be seen in the table below. (All monetary units in USD thousands).

Solvency II Class	Marine, Aviation & Transport	Fire & Other Damage to Property	General Liability Insurance	Miscellaneous Financial Loss	Total
Claims provision	41,116	7,426	1,630	-	50,173
Oustanding claims	42,846	7,617	1,723	-	52,186
Adjustment for default	(55)	(6)	(3)	(0)	(63)
Discount factor	(1,675)	(185)	(90)	(0)	(1,950)
Premium Provision	20,137	10,429	4,544	3,559	38,668
UPR	20,984	10,697	4,802	3,650	40,133
Profit on unearned premium	(0)	(0)	(0)	(0)	(0)
Discount factor	(847)	(268)	(258)	(91)	(1,465)

All other assets

All other assets have been retained as accounting values given their short-term and liquid nature.

D.2 Technical provisions of insurance and reinsurance

The table below sets out the technical provisions (gross of reinsurance) by Solvency II line of business.

Solvency II Class	Marine, Aviation & Transport	Fire & Other Damage to Property	General Liability Insurance	Miscellaneous Financial Loss	Total
Claims provision	43,431	6,275	5,900	773	56,379
Oustanding claims	44,772	6,394	6,146	788.00	58,100
Run-off expenses	425	37	78	5	545
Discount factor	(1,767)	(156)	(324)	(19)	(2,266)
Premium Provision	42,642	24,341	9,615	5,330	81,928
UPR	43,959	24,804	10,016	5,431	84,210
Profit on unearned premium	(0)	(0)	(0)	(0)	(0)
Run-off expenses	418	143	127	31	719
Discount factor	(1,735)	(606)	(528)	(133)	(3,001)

All monetary amounts in USD thousands.

Technical provisions are valued at "best estimate" which reflects the timing and likelihood of payments.

Provisions are valued on a discounted cash-flow basis which utilises assumptions regarding the expected settlement patterns of claims. For MIAS, it is assumed that claims arising are paid in line with the following pattern:

Claims Settlement Pattern	Marine, Aviation & Transport	Fire & Other Damage to Property	General Liability Insurance	Miscellaneous Financial Loss
Year 1	20%	58%	15%	58%
Year 2	40%	35%	10%	35%
Year 3	15%	4%	30%	4%
Year 4	15%	1%	25%	1%
Year 5	10%	1%	10%	1%
Year 6	0%	0%	5%	0%
Year 7	0%	0%	5%	0%
Year 8 and after	0%	0%	0%	0%

Administration expenses of approximately USD 1,264m per year are also included within the provisions in line with Solvency II guidance.

Risk Margin

The risk margin is a function of the SCR and is calculated to be USD 10,226m.

Whilst liabilities under SII are measured at best estimate, these are inherently uncertain, and the risk margin provides a margin to ensure liabilities are valued at fair value. It can also be described as the amount that an undertaking would require above the best estimate liabilities in order to take over and meet the obligations.

This is calculated by determining the cost of providing an amount of capital equal to the SCR necessary to support the obligations over their lifetime.

The calculation involves approximating the SCR for each future year (based on the assumed settlement of claims) and then valuing the risk margin on a discounted cash-flow basis (as shown by the diagram above)

A 6 % Cost of Capital rate is assumed to determine the cost of providing the funds as defined in SII.

Areas of uncertainty within the Technical Provisions:

Settlement period: The risks being underwritten are mainly short-tailed. Most claims except some general liability claims are settled after 5 years.

Discount rate: Current yields are very low, which means that almost no discounting is applied to the Technical Provisions given the risks underwritten by MIAS are short-tailed.

Expenses: The total expense involved in the operation of the captive is small compared with other elements in the calculation of the technical provisions.

Claims provision: MIAS's classes of risk are low frequency, high severity and as such MIAS does not have a high volume of claims. MIAS's approach of applying loadings to known claim reserves to allow for adverse development is in line with industry practice. Historically, MIAS has not seen much adverse development so known case reserves are expected to be broadly reasonable. However, there is inherent uncertainty in the claims provisions.

Premium provision: As agreed with the DFSA, MIAS's Solvency II premium provision assumes a 100% loss ratio, i.e. no advance credit is taken for expected underwriting profits. This is prudent given MIAS's historical experience.

Additional adjustments

MIAS has made no adjustments for matching adjustments, volatility adjustments, transitional measures or transitional deductions within its technical provisions.

Material changes in assumptions

MIAS has followed the same approach to the calculation of technical provisions since 2012 and as such there are no material changes to report.

D.3 Other liabilities

The table below sets out MIAS's liabilities under IFRS and Solvency II Bases as at 31 December 2019.

Liabilities	Management Accounting	Solvency II
Gross technical provisions	142.3	138.3
Claims provision	*58.1*	*56.4*
Premium provision	*84.2*	*81.9*
Risk margin	-	10.2
Payables	9.2	9.2
Reinsurance payables	49.5	49.5
Total assets	**201.0**	**207.2**

All monetary amounts in USD thousands.

Gross technical provisions (non-life)

The gross technical provisions increase from the management accounting treatment ($201,025m) to SII ($207,247m). Similarly, to the asset valuation, the technical provisions are valued at "best estimate" which reflects the timing and likelihood of payments.

In addition, a 'risk margin' of $10,226m is held to reflect the additional cost of capital that an alternative insurer would be required to hold to take over MIAS's liabilities.

All other liabilities

All other liabilities have been retained as accounting values given their short-term and liquid nature

D.4 Alternative valuation method

The solvency and financial condition report must include information on the areas set out in Article 260 in complying with the disclosure requirements of the insurance or reinsurance undertaking as laid down in paragraphs 1 and 3 of this Article.

D.5 Other information

No other material information regarding the valuation of assets and liabilities for solvency purposes is deemed necessary.

E. Capital Management

E.1 Own Funds

The management of own funds is governed by the Policy for Capital Structure where the overall responsibility and tasks are defined. According to this policy, the equity of the company must be sufficient to ensure the continued operation of the company and at the same time sufficient to meet all regulatory requirements. The company is constantly focusing on matters which might influence the capital structure, e.g. the company's investment policy. The value creation of the company is meant to primarily be generated from acceptance of insurance risk rather than by acceptance of investment risk. The time horizon for business planning including development of own funds is minimum 3 years.

Own funds as at the reporting date consists only of tier 1 capital as follows:

Own funds (tUSD)	31.12.2019	31.12.2018	Development
Ordinary share capital	89,987	89,987	0
Accumulated profit	120,408	97,077	23,331
Total own funds	210,395	187,064	23,331

Total own funds as shown above are eligible for meeting both the SCR and MCR

As at 31 December 2019, the equity according to statutory accounts is tUSD 209,520.

The difference to own funds is primarily caused by the following (in tUSD):

Discounting of claims and premium provisions (assets)	-3,478
Discounting of claims and premium provisions (liabilities), including allowances for run off expenses	4,004

The expected development in own funds over the planning period of the company is as follows:

Own funds (tUSD)	31.12.2020	31.12.2021	31.12.2022
Ordinary share capital	89,987	89,987	89,987
Accumulated profit	128,119	138,267	148,271
Total own funds	218,106	228,254	238,258

The development of own funds is based on the assumption that dividend is not paid to shareholders during the planning period.

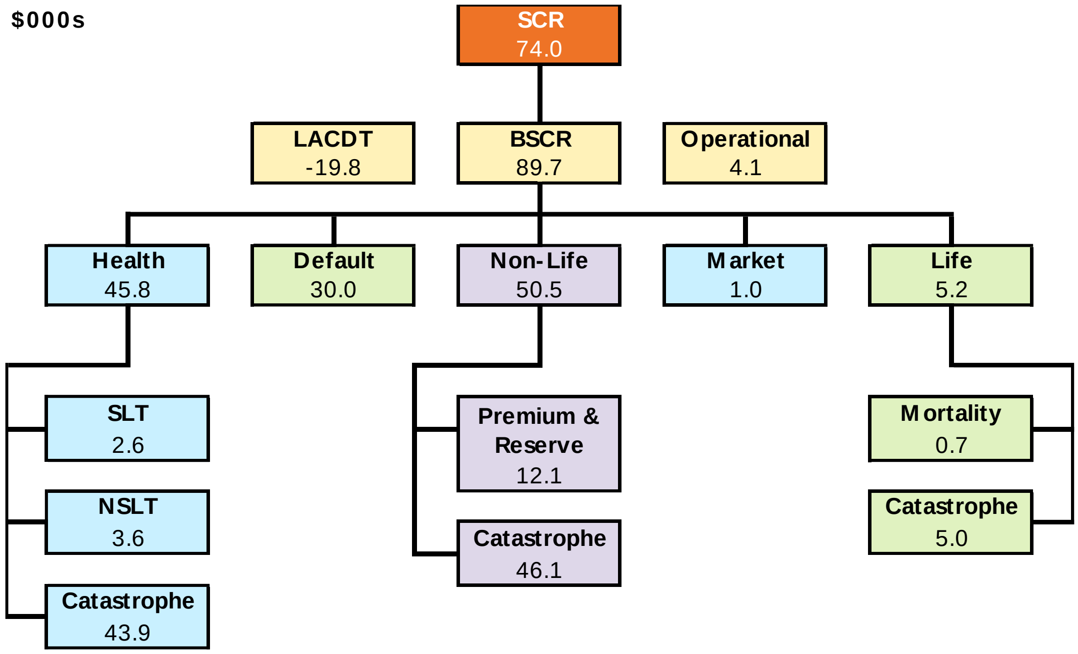
E.2 Solvency capital requirement and Minimum Capital Requirement

The company uses the standard formula for calculating the SCR and MCR.

As at 31 December 2019, the capital requirements of the company were as follows:

- Solvency Capital Requirement: tUSD 74,020
- Minimum capital requirement: tUSD 18,505

The SCR requirement split on risk modules is depicted below.



Capital Available	210.4
SCR	74.0
Excess above SCR	136.4
Solvency ratio	284%

Simplified calculations are not used in any of the risk modules of the standard formula.

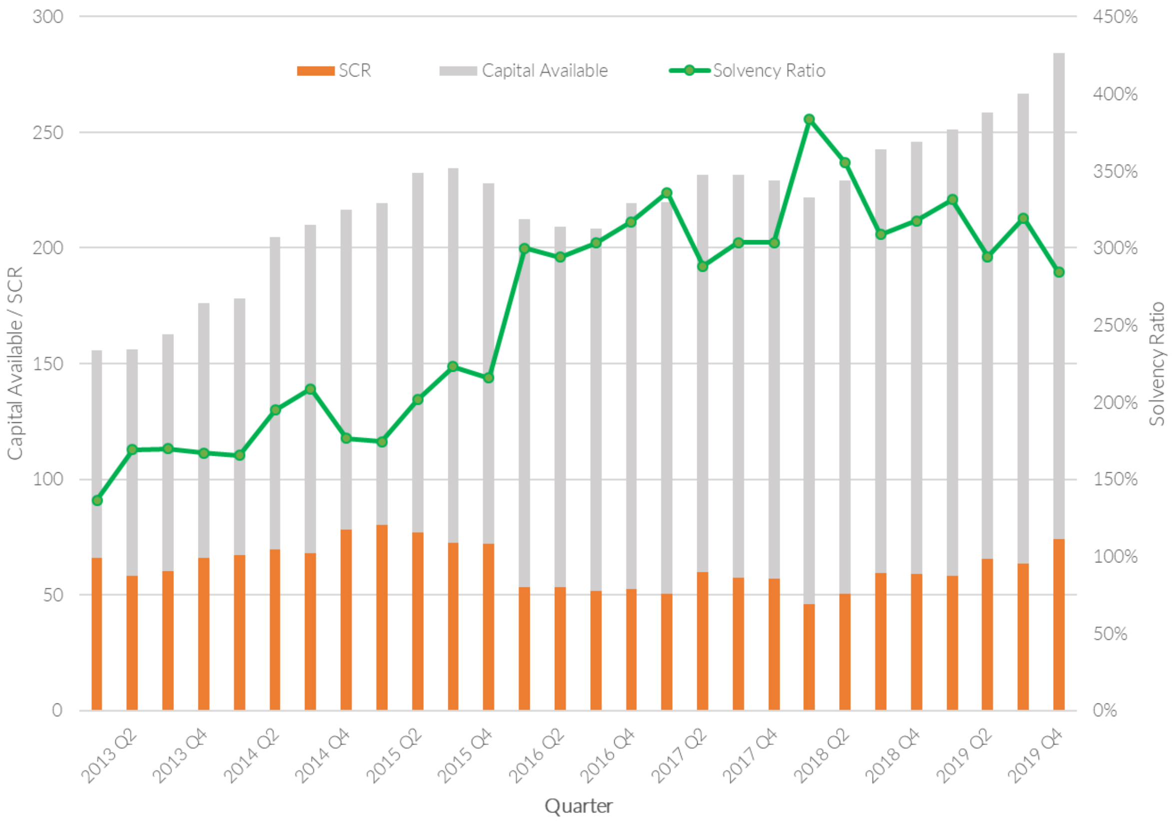
The MCR is calculated by multiplying the net best estimate technical provisions and net written premium by prescribed parameters for each SII class of business. As at 31 December 2018, this amounts to tUSD 12,840.

As the MCR floor is calculated as 25% of the SCR, corresponding to tUSD 18,505, this amount is the MCR of the company.

Minimum Capital Requirement	**18.5**
Non-Life MCR (based on Premiums and Technical Provisions)	12.8
MCR Floor (25% of SCR)	18.5
MCR Cap (45% of SCR)	33.3
Absolute Minimum (EUR 3.7m)	4.1

All figures in USD millions

The SCR and MCR have during 2019 shown some variation. Over the last 6 years, the solvency ratio of the company has developed as shown below.



The expected development in SCR and MCR over the planning period of the company is as follows:

tUSD	31.12.2020	31.12.2021	31.12.2022
SCR	74,020	74,020	74,020
MCR	18,505	18,505	18,505

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

The company has not invested in shares and this section is therefore not relevant.

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

The company does not make use of an internal model.

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

The Board of MIAS has decided that the solvency ratio of the company as a minimum target should be 1.50. This target is considered whenever new business opportunities are evaluated and when considering the future strategy of the company.

The actual solvency ratio is calculated by the company's actuaries on a quarterly basis and additionally in connection with assessing new significant risks. The future estimated solvency ratio is included in the company's budgets which are updated yearly and covers at least a three-year period.

If a recalculation or reassessment of the company's individual solvency requirement shows that the Company's capital plan has changed to the effect that the capital base is less than 1.30 times the capital base (individual solvency requirement) of the Company, Management must inform the Board of Directors immediately. Management must, in coordination with the Chairman of the Board, convene a meeting of the entire Board of Directors as soon as possible and within one week. At this meeting, Management must:

1.1. Identify the material reasons for the increased capital requirement based on the model for determination of the individual solvency requirement, and/or the main reasons for the reduction in the capital base.
1.2. Provide a basis for the Board's assessment of the projected impact of the reduction, its timing and the requisite response time for actions aimed at restoring the Company's capital position to include the excess coverage of 1.5 as intended by Board of Directors.

Serving as basis of decision for the Board of Directors at the meeting, Management has prepared:

1.1. A statement of the individual solvency requirement
1.2. Proposals for measures that may restore excess coverage to the intended level. Proposals for changes to the writing of insurances or the structure of contracts with suppliers must be supplemented with reflections about the impact of limiting the writing of new or extending insurance policies. Furthermore, (additional) reinsurance for the entire or part of the insurance portfolio must be considered. And changes to the Company's investment policy may be included to the extent these may increase excess coverage.
1.3. Analysis of scope for restoring capital position by raising further capital in the form of share capital or other subordinate capital.

Based on such proposal, the Board of Directors will decide on action to be taken to quickly reduce the capital need or raise any requisite additional capital. If the Board of Directors deems that the proposals are not sufficient or that alternatives exist, such additional measures will be implemented.

If the Board of Directors finds that the excess coverage is critically low at 1.25 or below relative to the capital base (individual solvency requirement), Management must immediately inform the Board of Directors and, in coordination with the Chairman of the Board, convene a meeting of the entire Board of Directors as soon as possible. The purpose of the said meeting is to quickly restore the capital position. The Board of Directors will notify the Danish Financial Supervisory Authority about the situation.

Management is under a separate duty to oversee that the Company's excess coverage does not drop below 1.1 in the process. If this is the case, Management must immediately inform the Board of Directors and auditors thereof.

If the Board establishes, in connection or continuation of this event, that the previous efforts do not have the expected effect quickly enough, Management must completely suspend the writing and renewal of insurance policies. Such resolution is to be made by the Board of Directors based on the Board's consideration of the options for rapid capital increases.

The Board of Directors must make such resolution not later than four weeks after the Board meeting at which the capital plan will be adopted.

The MIAS Board of Directors has established the following capital emergency plan:

Solvency Ratio	**Action**
1.50	The targeted minimum ratio – no action required
1.30	The Board is summoned to decide if the solvency ratio needs to be strengthened immediately
1.25	The Board is summoned and will meet without delay and will based on presentations from Management decide any actions which must be initiated to improve the solvency situation immediately. The Board will notify the Danish Financial Supervisory Authority about the situation
1.10	Renewed notification of the Board, notification to external auditors and suspension of writing any new insurance policies

E.6 Any other information

There is no other information in relation to capital management which is relevant to disclose.

F. Appendix

F.1 Top 10 risks

MIAS' top 10 risks are:

	Description	Facts	Vulnerabilities/Triggers	Consequences	Mitigations/Actions
Strategic risks	**Inability to obtain new concession to support new operating model**	Likelihood: 25-50 % Impact: USD 5m	• Lack of line specific competences and experience required by DFSA	• Lack of premium income from EBI and Cargo	• Stage application for new concession to focus on elements required imminently
	New operating model	Likelihood: 5-25 % Impact:10-30m	• MIAS new operating model is largely untested and only outlined conceptually • Implementation may see challenges in respect of regulatory and tax requirements • The business units will not be able to pay their share of a negative year • The new operating model is challenged from a tax perspective	• The new operating model and the associated business benefits may not materialize fully	• Appointed advisers to assist with implementation • Transfer pricing advice obtained from Deloitte
Market risks	**Spread risk**	Standard model value	• Arises from investments in bonds and loans • Specifics of investment policy induces spread risk	• Economic exposure	• Accepted risk • Investment policy defines spread risk limits • Monthly monitoring and controlling
Underwriting risks	**Risks accepted**	Likelihood: 1-5 % Impact: USD 30-50m	• Failure to decline to cover exposures which are not appropriate to MIAS' capital structure, solvency requirements or classes of business authorized under its insurance license (e.g. reinsuring annuities against the license for life and disability insurance) • Misinterpretation of risk appetite • Operational risk by failure in documentation and administration	• Revised SCR calculation adversely affects solvency margin targets leading to additional capital funding requirements • Negative financial result for MIAS	• Procedure manual describe procedure for accepting new risk to MIAS • Individual authority statements in place • Monthly outsourcing reporting • Quarterly risk management reporting • Net retention mitigated by retrocession agreements • Language in EBI retrocession agreements to prevent cession of annuity risks
	Claims handling	Likelihood:1-5 % Impact: USD 5-10m	• Failure to manage relationship with claims handlers • Failure to adequately monitor claims handlers • Overspending costs or misunderstanding liabilities due to low investment in competence/ overload of work	• Negative financial result to MIAS • Solvency issues and additional capital funding requirements • Reputational damage to MIAS and the wider APMM Group	• Outsourced claims handling is managed in accordance with the terms of the services agreement • All agreements between MIAS and claims handlers are approved prior to

	Description	Facts	Vulnerabilities/Triggers	Consequences	Mitigations/Actions
					signature • MIAS will have possibility to make additional premium call under new operating model • New claims handling processes will tightly follow up from one clear point in the organization with proper authority matrix • Internal control system with proper education of main competences, work with clear goals and collaboration between departments. Centralize to certain extend to uphold knowledge
	General reserving	Likelihood: 5-25 % Impact: USD 5-10m	• Failure to reserve for unearned premiums • Failure to reserve for incurred but not reported losses (IBNR) • Failure to reserve for incurred but not enough reported losses (IBENR) • Failure to reserve for incurred and reported losses	• Negative financial result for MIAS • Revised SCR calculation adversely affects solvency margin leading to additional capital funding requirements	• Financial details of unearned premium reserves and earned premium income are captured, • IBNR reserves are controlled • Reconciliations of premium and claims are controlled on a monthly basis • Actuarial reviews of reserving quarterly
	Catastrophe losses	Standard model value	• Failure to understand the potential catastrophe exposures that MIAS is exposed to • Failure to recognize and manage the potential financial impact of catastrophe losses • Catastrophic risk due to terror, war or natural catastrophe etc.	• Negative financial result to MIAS • Revised SCR calculation adversely affects solvency margin targets (140%-110%) potentially leading to additional capital funding requirements • Difficult to renew reinsurance contracts at acceptable terms	• Terms of the proposed reinsurance program are controlled against fronting terms to ensure matching • Quarterly risk management reports including large losses and reinsurance • Reinsurance contracts documented • Reinsurance purchased such that retained exposure remains within risk appetite
Default Risk	**Other counterparties bankrupt**	Likelihood: 1-5 % Impact: USD >50m	• Default of brokers	• Lost premium prepaid	• Quarterly valuation of brokers financial stability

	Description	Facts	Vulnerabilities/Triggers	Consequences	Mitigations/Actions
	Reinsurers bankrupt	Likelihood: <1 % Impact: USD >50m	• Default by of one or more of MIAS largest reinsurers or systemic loss causing the total default of the reinsurance market	• Default of MIAS reinsurance protection	• Spread of MIAS reinsurance in different markets (Lloyds, German, Nordic and corporate markets) • Minimum A- rated companies as counterparts • Increased requirements to reinsurer credit ratings for large exposures
	Parent company bankrupt	Likelihood: 1-5 % Impact: USD >50m	• Failure to operate conglomerate profitably eroding equity	• Default on MIAS loan to parent • Long term uncertainty about MIAS' operations/existence in current format	• Rating of parent • Quarterly reports • Proximity to Group Finance facilitates a close dialogue

F.2 QRTs

S.02.01 **SolvencyTool**
Balance sheet

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)	
Fund number	
Assets	Solvency II value
Goodwill	
Deferred acquisition costs	
Intangible assets	0
Deferred tax assets	2.134.086
Pension benefit surplus	0
Property, plant & equipment held for own use	0
Investments (other than assets held for index-linked and unit-linked funds)	85.747.572
Property (other than for own use)	0
Participations	0
Equities	0
Equities - listed	0
Equities - unlisted	0
Bonds	0
Government Bonds	0
Corporate Bonds	0
Structured notes	0
Collateralised securities	0
Investment funds	0
Derivatives	0
Deposits other than cash equivalents	85.747.572
Other investments	0
Assets held for index-linked and unit-linked funds	0
Loans & mortgages	146.888.904
Loans on policies	0
Loans & mortgages to individuals	0
Other loans & mortgages	146.888.904
Reinsurance recoverables from:	88.840.894
Non-life and health similar to non-life	88.840.894
Non-life excluding health	88.840.894
Health similar to non-life	0
Life and health similar to life, excluding health and indexlinked	0
Health similar to life	0
Life excluding health and index-linked and unit-linked	0
Life index-linked and unit-linked	0
Deposits to cedants	0
Insurance & intermediaries receivables	71.325.000
Reinsurance receivables	0
Receivables (trade, not insurance)	0
Own shares	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
Cash and cash equivalents	5.598.040
Any other assets, not elsewhere shown	17.107.484
Total assets	**417.641.980**

Liabilities	Solvency II value
Technical provisions – non-life	148.532.287
Technical provisions – non-life (excluding health)	148.532.287
TP calculated as a whole	0
Best Estimate	138.306.287
Risk margin	10.226.000
Technical provisions - health (similar to non-life)	0
TP calculated as a whole	0
Best Estimate	0
Risk margin	0
Technical provisions - life (excluding index-linked and unitlinked)	0
Technical provisions - health (similar to life)	0
TP calculated as a whole	0
Best Estimate	0
Risk margin	0
Technical provisions – life (excluding health and indexlinked and unit-linked)	0
TP calculated as a whole	0
Best Estimate	0
Risk margin	0
Technical provisions – index-linked and unit-linked	0
TP calculated as a whole	0
Best Estimate	0
Risk margin	0
Other technical provisions	
Contingent liabilities	0
Provisions other than technical provisions	0
Pension benefit obligations	0
Deposits from reinsurers	0
Deferred tax liabilities	0
Derivatives	563.739
Debts owed to credit institutions	0
Financial liabilities other than debts owed to credit institutions	0
Insurance & intermediaries payables	0
Reinsurance payables	49.535.000
Payables (trade, not insurance)	0
Subordinated liabilities	0
Subordinated liabilities not in BOF	0
Subordinated liabilities in BOF	0
Any other liabilities, not elsewhere shown	9.180.000
Total liabilities	**207.811.026**
Excess of assets over liabilities	Solvency II value
Excess of assets over liabilities	**209.830.954**

S.05.01 **SolvencyTool**

Premiums, claims and expenses by line of business

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)

Non-life	Total
Premiums written	
Gross - Direct Business	1.746.725
Gross - Proportional reinsurance accepted	133.333.305
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	62.948.567
Net	72.131.463
Premiums earned	
Gross - Direct Business	2.310.113
Gross - Proportional reinsurance accepted	71.550.105
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	40.023.706
Net	33.836.512
Claims incurred	
Gross - Direct Business	1.523.344
Gross - Proportional reinsurance accepted	12.593.897
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	4.749.340
Net	9.367.901
Changes in other technical provisions	
Gross - Direct Business	0
Gross - Proportional reinsurance accepted	-5.879.919
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	0
Net	-5.879.919
Expenses incurred	-408.547
Administrative expenses	
Gross - Direct Business	35.501
Gross - Proportional reinsurance accepted	2.713.499
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	3.185.547
Net	-436.547
Investment management expenses	
Gross - Direct Business	362
Gross - Proportional reinsurance accepted	27.638
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	0
Net	28.000

Claims management expenses	
Gross - Direct Business	0
Gross - Proportional reinsurance accepted	0
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	0
Net	0
Acquisition expenses	
Gross - Direct Business	0
Gross - Proportional reinsurance accepted	0
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	0
Net	0
Overhead expenses	
Gross - Direct Business	0
Gross - Proportional reinsurance accepted	0
Gross - Non-proportional reinsurance accepted	0
Reinsurers' share	0
Net	0
Other expenses	0
Total expenses	-408.547

Premiums, claims and expenses by country

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)

Non-life	Home country	Top 5 countries (by amount of gross premiums written)		Total
		BM	NO	
Premiums written				
Gross - Direct Business	1.734.434	0	0	1.734.434
Gross - Proportional reinsurance accepted	0	60.770.500	72.360.226	133.130.726
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	0	27.372.706	35.393.645	62.766.351
Net	1.734.434	33.397.794	36.966.581	72.098.809
Premiums earned				
Gross - Direct Business	2.310.113	0	0	2.310.113
Gross - Proportional reinsurance accepted	0	26.923.128	43.301.330	70.224.458
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	401.826	12.370.964	25.276.375	38.049.165
Net	1.908.287	14.552.164	18.024.955	34.485.406
Claims incurred				
Gross - Direct Business	1.523.344	0	0	1.523.344
Gross - Proportional reinsurance accepted	0	1.735.902	10.562.101	12.298.003
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	0	2.265.194	2.390.890	4.656.084
Net	1.523.344	-529.292	8.171.211	9.165.263
Changes in other technical provisions				
Gross - Direct Business	0	0	0	0
Gross - Proportional reinsurance accepted	0	-4.353.160	-1.526.759	-5.879.919
Gross - Non-proportional reinsurance accepted	0	0	0	0
Reinsurers' share	0	0	0	0
Net	0	-4.353.160	-1.526.759	-5.879.919
Expenses incurred	35.863	1.250.062	1.488.465	2.774.390
Other expenses				0
Total expenses				2.774.390

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Non-Life Technical Provisions

ARS: ARS 07-04-2020 MIAS 2019 Annual USD (1)

	Direct business and accepted proportional reinsurance				Total
	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Miscellaneous financial loss	
TP calculated as a whole	0	0	0	0	0
Direct business	0	0	0	0	0
Accepted proportional reinsurance business	0	0	0	0	0
Accepted non-proportional reinsurance					0
Total Recoverables from reinsurance and SPV after the adjustment for expected losses due to counterparty default	0	0	0	0	0
Technical provisions calculated as a sum of BE and RM (Non-Replicable portfolio)					
Best Estimate					
Premium provisions					
Gross - Total	42.641.963	24.341.041	9.615.097	5.329.632	81.927.733
Gross - Direct Business	0	0	0	105.857	105.857
Gross - accepted proportional reinsurance business	42.641.963	24.341.041	9.615.097	5.223.775	81.821.876
Gross - accepted non-proportional reinsurance business					0
Total recoverables from reinsurance and SPV before the adjustment for expected losses due to counterparty default	20.136.854	10.429.015	4.543.707	3.558.559	38.668.135
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	20.136.854	10.429.015	4.543.707	3.558.559	38.668.135
Recoverables from SPV before adjustment for expected losses	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	0	0	0	0	0
Total Recoverables from reinsurance and SPV after the adjustment for expected losses due to counterparty default	20.136.854	10.429.015	4.543.707	3.558.559	38.668.135
Net Best Estimate of Premium Provisions	22.505.109	13.912.026	5.071.390	1.771.073	43.259.598
Claim provisions					
Gross - Total	43.430.605	6.274.658	5.899.999	773.292	56.378.554
Gross - Direct Business	0	0	1.904.049	11.033	1.915.082
Gross - accepted proportional reinsurance business	43.430.605	6.274.658	3.995.950	762.259	54.463.472
Gross - accepted non-proportional reinsurance business					0
Total recoverables from reinsurance and SPV before the adjustment for expected losses due to counterparty default	41.116.261	7.426.176	1.630.322	0	50.172.759
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	41.116.261	7.426.176	1.630.322	0	50.172.759
Recoverables from SPV before adjustment for expected losses	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	0	0	0	0	0
Total Recoverables from reinsurance and SPV after the adjustment for expected losses due to counterparty default	41.116.261	7.426.176	1.630.322	0	50.172.759
Net Best Estimate of Claims Provisions	2.314.344	-1.151.518	4.269.677	773.292	6.205.795
Total Best estimate - gross	86.072.568	30.615.699	15.515.096	6.102.924	138.306.287
Total Best estimate - net	24.819.453	12.760.508	9.341.067	2.544.365	49.465.393
Risk margin	5.130.935	2.637.985	1.931.082	525.998	10.226.000
Amount of the transitional on Technical Provisions					
TP calculated as a whole	0	0	0	0	0
Best Estimate	0	0	0	0	0
Risk margin	0	0	0	0	0
Technical provisions - total					
Technical provisions - total	91.203.503	33.253.684	17.446.178	6.628.922	148.532.287
Total Recoverables from reinsurance and SPV after the adjustment for expected losses due to counterparty default	61.253.115	17.855.191	6.174.029	3.558.559	88.840.894
Technical provisions minus recoverables from reinsurance and SPV - total	29.950.388	15.398.493	11.272.149	3.070.363	59.691.393
Line of Business: further segmentation (Homogeneous Risk Groups)					
Premium provisions - Total number of homogeneous risk groups	2	5	6	5	
Claims provisions - Total number of homogeneous risk groups	2	5	6	5	
Cash-flows of the Best estimate of Premium Provisions (Gross)					
Cash out-flows					
Future benefits and claims	42.237.642	24.201.214	9.493.191	5.299.015	81.231.062
Future expenses and other cash out-flows	404.322	139.827	121.907	30.615	696.671
Cash in-flows					
Future premiums	37.086.796	21.249.895	8.335.504	4.652.805	71.325.000
Other cash-in flows (incl. Recoverable from salvages and subrogations)	0	0	0	0	0
Cash-flows of the Best estimate of Claims Provisions (Gross)					
Cash out-flows					
Future benefits and claims	43.018.806	6.238.613	5.825.195	768.850	55.851.464
Future expenses and other cash out-flows	411.799	36.045	74.804	4.442	527.090
Cash in-flows					
Future premiums	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	0	0	0	0	0
Percentage of gross Best Estimate calculated using approximations					BETrans Interest
Best estimate subject to transitional of the interest rate	0	0	0	0	0
Technical provisions without transitional on interest rate	0	0	0	0	0
Best estimate subject to volatility adjustment	0	0	0	0	0
Technical provisions without volatility adjustment and without others transitional measures	0	0	0	0	0

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Non-life insurance claims

APS: Annual Solvency II public disclosure Solo 07-04-2020 (Draft) SFCR 2019 USD

Accident year / Underwriting year	1: Accident year

Gross Claims Paid (non-cumulative)

Year	Development year											In current year	Sum of years (cumulative)
	0	1	2	3	4	5	6	7	8	9	10		
Prior											0	0	0
N-9	0	0	0	0	0	0	0	0	0	0		0	0
N-8	0	0	0	0	0	0	0	0	0			0	0
N-7	1.185.862	4.205.615	5.776.883	2.051.451	2.963.328	581.505	-443.355	175.960				175.960	16.497.249
N-6	30.396.723	4.325.960	2.806.674	2.874.118	-300.926	-867.697	43.589					43.589	39.278.441
N-5	2.763.825	6.772.969	7.193.468	402.786	14.439	27.043						27.043	17.174.530
N-4	4.546.424	13.355.747	4.312.497	5.505.116	3.929.374							3.929.374	31.649.158
N-3	3.848.937	21.046.253	3.825.241	115.840								115.840	28.836.271
N-2	621.447	3.180.817	1.996.320									1.996.320	5.798.584
N-1	27.827.827	57.353.143										57.353.143	85.180.970
N	162.609											162.609	162.609
Total												**63.803.879**	**224.577.813**

Gross undiscounted Best Estimate Claims Provisions

Year	Development year											Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10	
Prior											0	0
N-9	0	0	0	0	0	0	0	0	0	0		0
N-8	0	0	0	0	0	0	0	0	0			0
N-7	29.578.623	13.620.647	7.740.895	6.473.176	3.197.651	975.928	812.790	345.399				331.275
N-6	13.543.622	12.737.801	8.175.088	4.749.781	3.612.996	1.935.789	1.629.481					1.567.912
N-5	26.058.841	11.317.239	3.529.275	3.162.508	3.004.299	2.898.940						2.809.816
N-4	43.844.990	29.333.542	21.119.076	14.464.353	7.239.872							6.954.399
N-3	14.781.752	8.202.670	5.187.166	2.441.845								2.355.013
N-2	15.412.822	14.105.193	12.551.654									12.049.177
N-1	68.796.226	17.051.879										16.577.146
N	14.162.820											13.733.816
Total												**56.378.554**

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Own funds

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)

Basic own funds	Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
Ordinary share capital (gross of own shares)	89.987.000	89.987.000		0	
Share premium account related to ordinary share capital	0	0		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0	
Subordinated mutual member accounts	0		0	0	0
Surplus funds	0	0			
Preference shares	0		0	0	0
Share premium account related to preference shares	0		0	0	0
Reconciliation reserve	117.709.868	117.709.868			
Subordinated liabilities	0		0	0	0
An amount equal to the value of net deferred tax assets	2.134.086				2.134.086
Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0

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	0

Deductions	Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
Deductions for participations in financial and credit institutions	0	0	0	0	0

Total basic own funds after deductions	Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
Total basic own funds after deductions	209.830.954	207.696.868	0	0	2.134.086

Ancillary own funds	Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
Unpaid and uncalled ordinary share capital callable on demand	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			0	
Unpaid and uncalled preference shares callable on demand	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
Other ancillary own funds	0			0	0
Total ancillary own funds	0			0	0
Total available own funds to meet the SCR	209.830.954	207.696.868	0	0	2.134.086
Total available own funds to meet the MCR	207.696.868	207.696.868	0	0	
Total eligible own funds to meet the SCR	209.830.954	207.696.868	0	0	2.134.086
Total eligible own funds to meet the MCR	207.696.868	207.696.868	0	0	
Solvency Capital Requirement	74.020.208				
Minimum capital requirement	18.505.052				
Ratio of Eligible own funds to SCR	283,478%				
Ratio of Eligible own funds to MCR	1.122,379%				
Consolidated Group SCR	0				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	0,00%				
SCR for entities included with D&A method	0				

Reconciliation reserve	Total
Excess of assets over liabilities	209.830.954
Own shares (held directly and indirectly)	0
Foreseeable dividends, distributions and charges	0
Other basic own fund items	92.121.086
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
Reconciliation reserve	117.709.868
Expected profits included in future premiums (EPIFP) - Life business	0
Expected profits included in future premiums (EPIFP) - Non-life business	0
Total Expected profits included in future premiums (EPIFP)	0

Solvency Capital Requirement - for undertakings on Standard Formula

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)

Article 112	2: Regular reporting		
Solvency Capital Requirement calculated using standard formula	Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
Market risk	1.045.635	1.045.635	0
Counterparty default risk	29.955.312	29.955.312	0
Life underwriting risk	5.233.128	5.233.128	0
Health underwriting risk	45.789.197	45.789.197	0
Non-life underwriting risk	50.522.520	50.522.520	0
Diversification	-42.873.339	-42.873.339	
Intangible asset risk	0	0	
Basic Solvency Capital Requirement	89.672.454	89.672.454	
Calculation of Solvency Capital Requirement			
Adjustment due to RFF/MAP nSCR aggregation	0		
Operational risk	4.149.189		
Loss-absorbing capacity of technical provisions	0		
Loss-absorbing capacity of deferred taxes	-19.801.434		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional)	0		
Solvency capital requirement, excluding capital add-on	74.020.208		
Capital add-ons already set	0		
Solvency Capital Requirement	74.020.208		
Other information on SCR			
Capital requirement for duration-based equity risk sub-module	0		
Total amount of Notional Solvency Capital Requirements for remaining part	0		
Total amount of Notional Solvency Capital Requirements for ring fenced funds	0		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0		
Diversification effects due to RFF nSCR aggregation for article 304	0		
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	2: Simplification at risk sub-module level		
Net future discretionary benefits	0		
Approach based on average tax rate	2: No		
Calculation of loss absorbing capacity of deferred taxes	Before the shock	After the shock	LAC DT
DTA	2.134.086	0	
DTA carry forward	2.134.086	0	
DTA due to deductible temporary differences	0	0	
DTL	0	0	
LAC DT			-19.801.434
LAC DT justified by reversion of deferred tax liabilities			-19.801.434
LAC DT justified by reference to probable future taxable profit			0
LAC DT justified by carry back, current year			0
LAC DT justified by carry back, future years			0
Maximum LAC DT			0

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

ARS: Annual Solvency II reporting Solo 07-04-2020 MIAS 2019 Annual USD (1)

Linear formula component for non-life insurance and reinsurance obligations	MCR components		
MCR Non-Life Result	18.505.052		
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
Medical expense insurance		0	0
Income protection insurance		0	0
Workers' compensation insurance		0	0
Motor vehicle liability insurance		0	0
Other motor insurance		0	0
Marine, aviation and transport insurance		24.819.453	36.132.000
Fire and other damage to property insurance		12.760.508	23.305.000
General liability insurance		9.341.067	9.965.000
Credit and suretyship insurance		0	0
Legal expenses insurance		0	0
Assistance		0	0
Miscellaneous financial loss		2.544.365	2.055.000
Non-proportional health reinsurance		0	0
Non-proportional casualty reinsurance		0	0
Non-proportional marine, aviation and transport reinsurance		0	0
Non-proportional property reinsurance		0	0

Linear formula component for life insurance and reinsurance obligations	MCR components		
MCR Life Result	0		
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
Obligations with profit participation - guaranteed benefits		0	
Obligations with profit participation - future discretionary benefits		0	
Index-linked and unit-linked insurance obligations		0	
Other life (re)insurance and health obligations		0	
Capital at risk for all life (re)insurance obligations			0

Overall MCR calculation	MCR components
Linear MCR	18.505.052
SCR	74.020.208
MCR cap	33.309.094
MCR floor	18.505.052
Combined MCR	18.505.052
Absolute floor of the MCR	4.107.000
Minimum capital requirement	18.505.052