

Solvency and Financial Condition Report (SFCR) 2021

Solid Försäkringsaktiebolag
Corp. ID. No. 516401-8482

Contents

Summary.....	4
A Operations and earnings	5
A.1 Operations.....	5
A.2 Technical result.....	6
A.3 Earnings from investments.....	8
A.4 Earnings from other operations.....	9
A.5 Other information.....	9
B System of governance.....	10
B.1 General information about the system of governance	10
B.2 Fit and proper requirements	15
B.3 Risk management system including own risk and solvency assessment	16
B.4 Internal control system.....	19
B.5 Internal Audit function	22
B.6 Actuarial function.....	23
B.7 Outsourcing.....	24
B.8 Other information.....	25
C Risk profile.....	26
C.1 Underwriting risk (Insurance risk).....	27
C.2 Market risk.....	27
C.3 Credit risk (Counterparty risk)	28
C.4 Liquidity risk.....	29
C.5 Operational risk	29
C.6 Other material risks	30
C.7 Other information.....	31
D Valuation for solvency purposes.....	32
D.1 Assets	33
D.2 Technical provisions	35
D.3 Other liabilities	37
D.4 Alternative valuation methods.....	38
D.5 Other information.....	38
E Financing.....	39
E.1 Own funds.....	39
E.2 Solvency Capital Requirement and Minimum Capital Requirement.....	40
E.3 Use of the duration-based equity risk sub-module in calculation of the SCR.....	41
E.4 Difference between the standard formula and internal models used	41
E.5 Breaches of MCR and SCR.....	41
E.6 Other information.....	41

Forms	42
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Summary

This is Solid Försäkringsaktiebolag's (the Company) sixth annual Solvency and Financial Condition Report (SFCR) as a solo company. The Report was adopted by the Company's Board and published on the Company's official website on 8 April 2022. All amounts are presented in thousands of Swedish kronor (KSEK) unless otherwise stated. Figures in brackets refer to the preceding year (31 December 2020) and 2021 has the reference date of 31 December 2021.

Operations and earnings

The Company is one of the leading niche insurance companies in the Nordic region in non-life insurance, and is under the supervision of the Swedish Financial Supervisory Authority in Sweden. The head office is located in Helsingborg, Sweden, and the operations in Norway, Finland and Switzerland are conducted in the form of branches, while operations in other countries are conducted as cross-border operations.

The Company was founded in 1993 as part of the Resurs Group and was granted authorisation from the Financial Supervisory Authority to conduct non-life insurance business. The Company was listed on Nasdaq Stockholm on 1 December 2021. The head office has been located in Helsingborg since the Company was founded and now has 68 employees and is under the supervision of the Financial Supervisory Authority.

The Company offers non-life insurance with a main focus on niche insurance. The non-life insurance operations are divided into three segments: Product, Personal Safety and Assistance. The Company partners with leading retail chains in various sectors, banks, credit market companies, other financial institutions, travel agencies, car workshops and car dealerships, and has about 2.3 million customers across the Nordic region. The target group for insurance products is comprised of private individuals who mainly purchase insurance through the Company's partners when they buy a product or service. The Company's partnerships are mainly long term.

System of governance

The Company's system of governance encompasses the risk management system and the internal control system, which aim to manage, identify, measure, control, monitor and report the risks found in the operations. The Company's Internal Audit function remains outsourced to Öhrlings Pricewaterhousecoopers AB, 556029-6740.

Risk profile

The major risks in the Company's operations have been identified as insurance risk and market risk.

Valuation for solvency purposes

The Company's assets and liabilities are valued in the Solvency II balance sheet according to the main valuation principles of the Solvency II regulations.

- Assets are valued at the amount for which they could be exchanged in a transaction.
- Liabilities are valued at the amount for which they could be transferred, or settled, in a transaction.

Financing

The Company uses EIOPA's standard formula to calculate its Solvency Capital Requirement (SCR).

Annexes

The annexes present the quantitative reports on the Company's solvency and financial position.

A Operations and earnings

A.1 Operations

Solid Försäkringsaktiebolag, Landskronavägen 23, Box 22068, SE-252 32 Helsingborg, Sweden, Corp. ID. No. 516401-8482 (the Company), was previously a wholly owned subsidiary of Resurs Holding AB (publ), Ekslingan 9, Väla Norra, Box 22209, SE-250 24 Helsingborg, Sweden, Corp. ID. No. 556898-2291. Resurs Holding (Resurs) was listed on OMX Nasdaq Stockholm, Large Cap in 2016.

The shares of Company were listed on Nasdaq Stockholm on 1 December 2021. The listing followed the resolution of an Extraordinary General Meeting of Resurs Holding AB on 2 November 2021 to distribute all of the shares in the Company to Resurs's shareholders. The distribution was effected with the record date of 29 November 2021, which meant that Resurs's previous holdings of all shares in the Company were distributed to those who were registered shareholders of Resurs as per the record date. The Company obtained approximately 29,000 shareholders after the distribution was completed. Non-recurring costs related to the separate listing process amounted to SEK 10.4 million.

The Company announced on 22 November 2021 that a prospectus for the admission to trading of the Company's shares on Nasdaq Stockholm was available on Company's website <https://corporate.solidab.se/en/ipo-2021/>.

The Swedish Financial Supervisory Authority is responsible for the financial supervision of the Company. Contact information: Finansinspektionen, Box 7821, SE-103 97 Stockholm, Sweden. Telephone: +46 08 408 980 00.

The Company's external auditor is Ernst and Young AB. Contact information: Box 7850, SE-103 99 Stockholm, Sweden, +46 8 520 590 00 The Company's signing auditor is Jesper Nilsson.

Solid Försäkringsaktiebolag's (publ) share is listed on Nasdaq Stockholm (Small Cap) under the ticker SFAB and its ISIN is SE0017082548.

Shareholders (ownership exceeding 10%) as per 31 December 2021

Shareholders	Number of shares	Shareholding, per cent
Waldakt Aktiebolag	5,788,555	28.90%

The Company conducts non-life insurance operations under the brand Solid Försäkring in Sweden, the rest of Scandinavia and, to a certain extent, in other countries in Europe. The operations in Norway, Finland and Switzerland are conducted by branches, and operations in other countries are conducted as cross-border operations.

The cross-border activities are conducted in Belgium, Bulgaria, Cyprus, Denmark, Estonia, France, Greece, Ireland, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, the UK, Czechia, Germany, Hungary and Austria. Detailed information about the classes of insurance for which the Company has authorisation in each country and where cross-border activities are conducted is available on the Financial Supervisory Authority's website: www.fi.se/en/our-registers/company-register/details?id=2659, www.fi.se/en/our-registers/company-register/details?id=449468, www.fi.se/en/our-registers/company-register/details?id=24768 and www.fi.se/en/our-registers/company-register/details?id=24488.

The Company offers non-life insurance with a main focus on niche insurance. The non-life insurance operations are divided into three segments: Product, Personal Safety and Assistance. The Company partners with leading retail chains in various sectors, banks, credit market companies, other financial

institutions, travel agencies, car workshops and car dealerships, and has about 2.3 million customers across the Nordic region. The target group for insurance products is comprised of private individuals who mainly purchase insurance through the company's partners when they buy a product or service. The Company's partnerships are mainly long term.

In addition, the Company conducts asset management, which is a separate function responsible for all of the Company's investment assets.

The Company is one of the leading niche insurance companies in the Nordic region in non-life insurance. The target group for the company's products comprises private individuals who mainly purchase insurance through the Company's partners when they buy a product or service. The Company works continuously to expand its partner base and, by improving the existing partner base, to simplify, improve and enhance the efficiency of the process from taking out insurance to renewal and claims – for both partners and consumers. Digitalising the process is a key tool in this work.

Focus in the future will therefore be directed to further measures to automate and enhance the efficiency of customer communication, marketing, digital extension and payment solutions.

During certain periods in 2021, the Company's partners were negatively affected by the COVID-19 pandemic, mainly in areas related to the travel industry, but looking at the year as a whole several of the Company's markets and segments nevertheless performed positively.

Premiums earned, net of reinsurance for the full-year, increased compared with the preceding year. Growth was largely driven by the sharp increase in the Assistance segment, which was due to a continuing strong recovery in insurance related to the travel industry and growth in insurance solutions for car warranties. The Product segment also reported healthy growth year-on-year, which was primarily due to larger consumer electronics partners reporting high sales. Premiums earned for the Personal Safety segment fell slightly compared with the preceding year, but the long-term sales trend is positive, primarily driven by a recovery in the Norwegian market. The technical result excluding non-recurring costs related to the separate listing process rose compared with the preceding year, primarily as a result of growth in premiums earned and lower claim costs. The claims ratio improved in all segments and is back at pre-pandemic levels in the Personal Safety segment.

Signing new partnerships and developing existing relationships are key parameters for creating growth, and the Company took several steps in the right direction during the year. During the year, the Company further strengthened its partner base by entering into several new partnerships.

A.2 Technical result

Figures in brackets refer to the preceding year.

Operating profit before tax and appropriations amounted to KSEK 151,365 (120,604). Excluding non-recurring costs, the increase was 34 per cent. The technical result declined to KSEK 114,236 (116,920). Excluding non-recurring costs, the technical result rose 7 per cent compared with the preceding year, primarily as a result of growth in premiums earned and lower claim costs.

Gross written premiums for the year amounted to KSEK 1,013,421 (951,480). Adjusted for currency effects, an underlying volume increase of 7 per cent was reported. The increase was due to the positive performance in the Assistance segment in terms of both travel insurance products and products related to car warranties. The considerable recovery in the travel industry after COVID-19 positively impacted sales of travel insurance products in the second half of the year.

Claims paid increased KSEK 4,319 to KSEK 232,902 (228,583). The claims ratio margin improved in all segments to 23.5 per cent (25.4). The claims ratio in the Personal Safety segment returned to pre-pandemic levels.

Operating expenses in the insurance operations increased KSEK 72,382 to KSEK 644,934 (572,552). Adjusted for currency effects, the increase was 13 per cent. The combined ratio was 89.3 per cent (88.2) Excluding non-recurring costs, the combined ratio amounted to 88.2 per cent, which is in line with the preceding year.

Net profit amounted to KSEK 119,980 (43,372). The effective tax expense for the year was 20.6 per cent (28.5). The decrease was mainly due to a lower corporate tax rate and tax attributable to effects of translating foreign branches.

Cash flow from operating activities amounted to KSEK 163,056 (150,058). Cash flow from investing activities amounted to KSEK 173,275 (-105,296). The subordinated loan of KSEK 200,000 to Resurs Bank fell due for payment in April. Most of the funds have not yet been re-invested in alternative investments. Cash flow from financing activities amounted to KSEK -59,000 (-12,000). Group contributions of KSEK 60,000 for the 2020 financial year were paid to the former Parent Company Resurs Holding during the year. Cash and cash equivalents increased to KSEK 613,139 (328,205).

Gross provisions in technical provisions at year-end increased to KSEK 615,900 (587,763). Reinsurers' share of technical provisions increased to KSEK 3,810 (3,667). This increase in gross provisions was primarily attributable to growth in the Assistance segment.

The table below presents the Company's earnings trend per insurance line 2021 in KSEK.

EARNINGS ANALYSIS

KSEK	Total 2021		Swedish risks					Foreign risks		
			Morbidity and accident	Motor vehicle liability	Household and homeowner	Other property	Legal expenses			Assistance
Technical result for non-life insurance operations										
Premiums earned, net of reinsurance*	981 291	207 806	126 719	209 497	2 848	297	63 795	4 492	365 837	
Allocated investment return transferred from non-technical account	8 900	23	1 833	1 679	34	2	535	104	4 690	
Claims incurred, net of reinsurance*	-231 021	-18 755	-33 581	-56 251	-2 673	0	-36 589	-2 149	-81 023	
Operating expenses	-644 934	-156 966	-77 435	-124 939	-957	-33	-22 929	-452	-261 223	
Technical result for non-life insurance operations	114 236	32 108	17 536	29 986	-748	266	4 812	1 995	28 281	
Run-off result	8 333	1	1 488	1 886	232	0	2 447	511	1 768	
Provision for unearned premiums and unexpired risks	555 105	8	121 776	106 408	1 750	150	28 631	2 498	293 884	
Provision for claims outstanding	60 795	1 522	8 613	10 264	414	0	7 810	4 229	27 943	
Technical provisions, net of outward reinsurance	615 900	1 530	130 389	116 672	2 164	150	36 441	6 727	321 827	
Reinsurers' share of provision for unearned premiums and unexpired risks	3 579	0	0	3 579	0	0	0	0	0	
Reinsurers' share of provision for claims outstanding	232	0	0	0	0	0	0	0	232	
Reinsurer's share of technical provisions	3 811	0	0	3 579	0	0	0	0	232	
* Notes on earnings analysis										
Premiums earned, net of reinsurance										
Gross written premiums	1 013 421	207 763	138 359	230 008	2 647	285	63 382	4 161	366 816	
Outward reinsurance premiums	-27 605	0	0	-20 197	0	0	-118	0	-7 290	
Change in provision for unearned premiums and unexpired risks	-4 634	43	-11 640	-446	201	12	531	331	6 334	
Reinsurers' share of change in provision for unearned premiums and unexpired risks	109	0	0	132	0	0	0	0	-23	
Total premiums earned, net of reinsurance	981 291	207 806	126 719	209 497	2 848	297	63 795	4 492	365 837	
Claims incurred, net of reinsurance										
Claims paid										
net of outward reinsurance	-232 902	-18 735	-30 800	-62 326	-2 666	0	-35 033	-2 325	-81 017	
reinsurers' share	6 325	0	0	6 325	0	0	0	0	0	
Change in provision for claims outstanding										
net of outward reinsurance	-4 434	-20	-2 781	-251	-7	0	-1 556	176	5	
reinsurers' share	-10	0	0	0	0	0	0	0	-10	
Total claims incurred, net of reinsurance	-231 021	-18 755	-33 581	-56 252	-2 673	0	-36 589	-2 149	-81 022	

The table below shows the geographic specification of gross written premiums in KSEK.

KSEK	Jan-Dec 2021	Jan-Dec 2020
Gross written premiums, geographical specification		
Sweden	646 602	615 509
Norway	170 667	176 392
Denmark	69 978	65 365
Finland	48 669	58 909
Rest of Europe	77 505	35 305
Total gross written premiums	1 013 421	951 480

A.3 Earnings from investments

The Company's securities portfolio is primarily listed in Sweden. The securities portfolio mainly comprises interest-bearing securities with floating interest rates. The percentage of equities comprises a limited share of the total portfolio and amounted to 6 per cent on 31 December 2021.

The market value of the Company's investment assets, including cash and cash equivalents in cash and bank balances, was KSEK 1,295,760 (1,149,710) at the end of the financial year.

The direct yield for asset management amounted to 1.4 per cent (1.5) and the total return to 3.6 per cent (1.3).

The table below presents the result of asset management.

KSEK	2021	2020
Investment income		
Dividends on shares and participating interests	3 561	1 521
Interest income, etc.		
Bonds and other interest-bearing securities	7 670	7 486
Other interest income *	4 061	7 676
Exchange gains (net)	1 468	76
Capital gains (net)	8 291	3 713
Other	17	43
Total investment income	25 068	20 515
Unrealised gains on investment assets recognised through profit or loss		
Swedish shares and participating interests	20 057	0
Bonds and other interest-bearing securities	0	0
Total unrealised gains on investment assets (net gain per asset class)	20 057	0
Investment charges		
Asset management expenses	-701	-605
Financial management costs	-1 200	-1 200
Other interest expense	-287	-132
Total investment charges	-2 188	-1 937
Unrealised losses on investment assets recognised through profit or loss		
Swedish shares and participating interests	0	-4 325
Bonds and other interest-bearing securities	-1 049	-2 204
Unrealised losses on investment assets (net loss per asset class)	-1 049	-6 529
Result of asset management	41 888	12 049

* All Other interest income consists of interest income on assets measured at fair value.

A.4 Earnings from other operations

Other income refers to registration fees in the Company's theft prevention register for bicycles in Norway. Other expenses are attributable to administration and operations related to the theft prevention register for bicycles in Norway.

A.5 Other information

This report is based on 31 December 2021 and after this date Russia invaded Ukraine on 24 February 2022. Apart from an enormous humanitarian impact, the invasion is expected to have major economic and financial consequences both globally and in Sweden. The West has agreed on a number of sanctions in response to Russia's invasion, some of which affect the financial markets. In Sweden, the Stockholm Stock Exchange was negatively affected following the news of the invasion. There is considerable volatility in the capital markets, which affects the market valuations of Solid Försäkring's investment portfolio. The Company is closely monitoring developments to identify any early signs of potential changes in consumer behaviour, which in turn could affect the Company's insurance operations.

B System of governance

B.1 General information about the system of governance

Solid Försäkring is a Swedish public limited-liability Company whose shares were listed on Nasdaq Stockholm on 1 December 2021. The Company's corporate governance practices are predominantly based on Swedish law, the Swedish Financial Supervisory Authority's regulations, the company's Articles of Association and internal governance documents. In addition to the regulations of the Swedish Companies Act (2005:551), the Annual Accounts Act (1995:1554), the Swedish Insurance Business Act (2010:2043) and the Company's Articles of Association, the Company also applies Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code, as well as other applicable Swedish and international laws and regulations that affect listed companies.

The Company's system of governance encompasses the risk management system and the internal control system, which aim to manage, identify, measure, control, monitor and report the risks found in the operations. This applies to risks that are individual and aggregated that the Company is, or could be, exposed to and the mutual dependencies of the risks.

The purpose of the system of governance is to ensure sound and prudent governance of the Company. The framework of the Company's governance is set by external regulations, meaning applicable laws and ordinances, EIOPA's guidelines, regulations/general advice and technical standards for the Company's operations, market practice, internal guidelines and the Company's Articles of Association.

The Company's Board of Directors is ultimately responsible for governing the operations by establishing an effective organisation and by preparing internal governance documents that contain, for example, decision mandates, processes and control activities, as well as deciding on the Company's accepted risk appetite and tolerances.

The system of governance is to be in proportion to the operations' nature and scale and the complexity of the inherent risks in the operations.

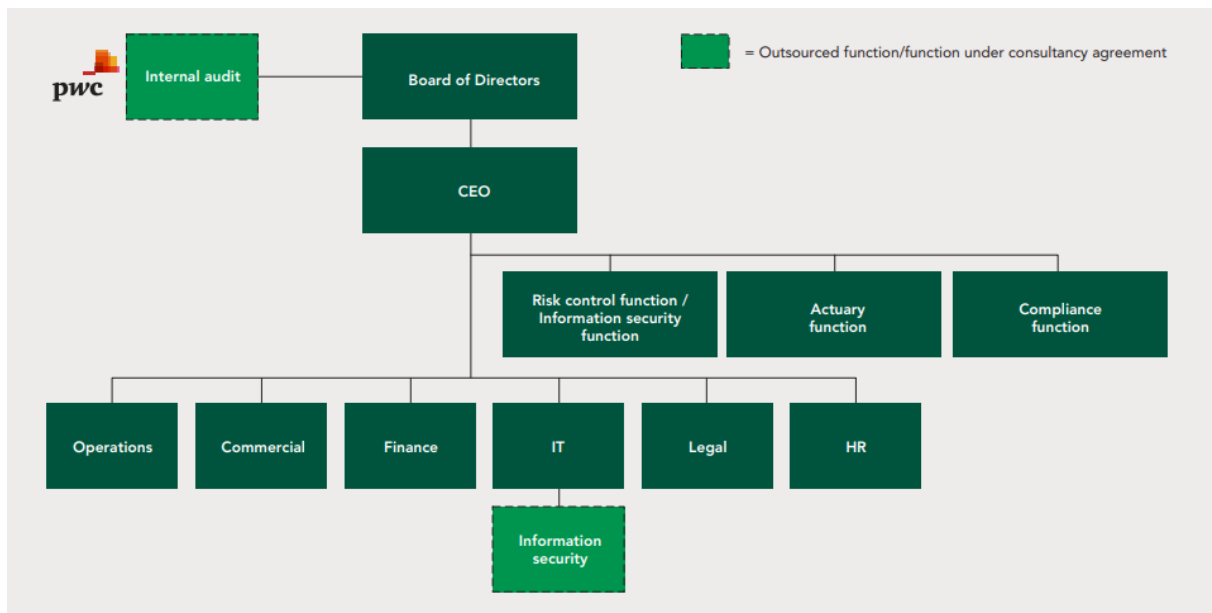
Organisation and responsibility

The Company's organisational structure is designed and structured to ensure that the external regulation of the relationship between the Company's shareholders and the Board is fulfilled, and to promote the Company's strategic targets and operations.

The Company's Board evaluates the organisational structure and the system of governance at least once a year to ensure that, within a reasonable time, the Company can adapt its structure to changes that affect the Company's strategic targets, operations or business environment.

The Company's organisational structure as per 31 December 2021 is presented below, including information on the Company's Board and CEO in the diagram below, Board committees and key functions. For further information, refer to <https://corporate.solidab.se/en/governance/>

All roles under the Board are situated in Helsingborg except for the Internal Audit function and other outsourced operations.



General meetings

Pursuant to the Swedish Companies Act, a general meeting is the Company's highest decision-making body. A general meeting may resolve on every issue in the Company that does not expressly fall under another Company unit's exclusive competence. At the Annual General Meeting (AGM), which is to be held within six months of the end of the financial year, the shareholders exercise their voting rights on issues such as the adoption of income statements and balance sheets, appropriation of the Company's profit or loss, discharge from liability of Board members and the CEO for the financial year, election of Board members and auditors and remuneration of Board members and auditors. In addition to the AGM, Extraordinary General Meetings may be convened. In accordance with the Articles of Association, the official notice of a general meeting must be announced in the Swedish Official Gazette (Post- och Inrikes Tidningar) and by making the notice available on the Company's website. That the official notification has been issued must simultaneously be announced in Svenska Dagbladet. Prior to each general meeting, a press release is published in Swedish and English, including the official notice in its entirety.

The Chairman of the Board and as many of the other Board members as are required for the Board of Directors to be quorate, as well as the CEO, must attend Extraordinary General Meetings in the Company. In addition to the aforementioned, at least one member of the Nomination Committee, at least one of the Company's auditors and, if possible, all Board members must participate in AGMs. The Articles of Association contain no specific clauses governing the appointment or dismissal of Board members, limitations on the shares' transferability or amendments of the Articles of Association. At present, there are no resolutions issued by general meetings authorising the Board to decide that the Company will issue new shares. All of the shares were represented at the 2021 Annual General Meeting. At the time of the 2021 Annual General Meeting, the Company was a wholly owned subsidiary of Resurs Holding AB.

Nomination Committee

The Nomination Committee represents the Company's shareholders. The Nomination Committee's task is to formulate and submit proposals concerning resolutions on the number and election of Board members, the Chairman of the Board, fees to be paid to the Board of Directors and for work on its committees, election of and fees to be paid to the Company's auditors and the instructions for the Nomination Committee that are to govern the Nomination Committee's work and composition. The Nomination Committee's work focuses particularly on ensuring that the Board is composed of members possessing knowledge and experience matching the requirements that the prevailing rules and regulations and the Company's owners place on the Company's Board, including the

requirements specified in the rules and regulations for insurance companies and the Code. In the process of formulating proposals concerning election of Board members, the Chairman of the Board therefore also presents to the Nomination Committee the evaluation that has been conducted of the work of the Board and the individual members over the past year, and the Nomination Committee is provided with an opportunity to meet the Board members. The Nomination Committee also prepares the election of an auditor. Shareholders may submit proposals to the Nomination Committee in accordance with the instructions presented on the Company's website.

Board of Directors

After a general meeting, the Board of Directors is the highest decision-making body of the Company and the highest executive body. The Board's assignments are primarily governed by the Swedish Companies Act. The work of the Board is also governed by the rules of procedure adopted annually by the Board. The rules of procedure regulate, inter alia, the division of work and responsibilities between the Board and the CEO, and contain procedures for financial reporting by the CEO.

The Board also adopts rules of procedure for the Board's committees. The Board's duties include establishing strategies, business plans and budgets, issuing interim reports and statutory accounts and adopting policies. The Board must also monitor the Company's financial development, ensure the quality of the financial reporting and the control functions' reporting and evaluate the Company's operations based on the established objectives and policies adopted by the Board of Directors. Finally, the Board also takes decisions about major investments and organisational and operational changes in the Company.

The Company's Board assumes the ultimate and overall responsibility for the Company's organisation and management of the Company. Under the framework of this assignment, the Board strives to ensure a corporate culture in which a high level of internal governance and control are promoted within the operations and also to ensure that the control environment and governance systems are effective and suitable considering the business that the Company conducts.

The Company's Board establishes governance documents to use to govern the operations and ensure that reliable, current and complete information is reported to the Board. The Board regularly evaluates whether there is a need to review the internal rules that the Board has previously decided on to ensure that the Company's internal governance and control are effective and adapted to the operations, business strategies and external regulations.

The Board appoints, among others, the Board Chairman and CEO, and is responsible for the Company having key functions for Internal Audit, Actuarial, Compliance and Risk Management.

CEO

The Company's CEO is responsible for the day-to-day administration according to the Board's guidelines and instructions in the governance documents, and the obligations that fall within the framework of the CEO's duties according to external regulations. Under the scope of this assignment, the CEO is responsible for implementing internal regulations and ensuring compliance with them in the Company's operations. The Board continuously evaluates the work of the CEO.

The CEO is to strive to ensure a corporate culture in which the objective of all employees is a good and effective control environment and is also to promote understanding of the internal rules. The CEO makes sure that the Board receives factual, detailed and relevant information required in order for the Board to make well-founded decisions, and is continuously informed of the performance of the Company's operations. The Company has rules of procedure established by the Board that regulate the responsibilities and duties of the CEO.

Board committees

The Company's Board has established three Board Committees: the Corporate Governance

Committee, the Audit Committee and the Remuneration Committee. Furthermore, the Board has appointed a Risk Committee and an Investment Committee.

Corporate Governance Committee

The Corporate Governance Committee's tasks include evaluating the Company's internal control and policies pertaining to compliance, risk management and internal audit, insofar as these do not influence financial reporting, which is handled by the Audit Committee. Among other matters, the Corporate Governance Committee is to evaluate observations and proposals for improvement measures based on reports submitted by the Compliance function, Risk Management function and Internal Audit function, and review the Company's own risk and solvency assessment (ORSA). The Committee advises the Company's Board on issues concerning internal control and corporate governance. The Corporate Governance Committee has rules of procedure established by the Board that regulate the Committee's work.

Audit Committee

The primary tasks of the Audit Committee are to ensure the Board carries out monitoring concerning internal control, audits, internal audits and risk management connected to accounting and financial reporting. Additionally, the Audit Committee's tasks include, following consultation with the Corporate Governance Committee, ensuring that the Company complies with the applicable laws and regulations for the Company's auditing, capital requirements and other financial requirements. In addition, the Audit Committee is to prepare issues about the procurement of audits and other services from the auditor and prepare certain accounting and audit matters that are to be handled by the Board. The Committee is also to examine and monitor the auditor's impartiality and independence and, in so far as that the Nomination Committee is not assigned this task, the Committee is to assist in the preparation of proposals to the general meeting's election of auditors. The Audit Committee is subject to rules of procedure established by the Board that regulate the Committee's work.

Remuneration Committee

The primary tasks of the Remuneration Committee are to prepare the Board's motions on remuneration principles, remuneration and other terms of employment for Company management, follow and evaluate ongoing programmes of variable remuneration for Company management and programmes completed during the year, as well as to follow and evaluate the application of any guidelines for remuneration of senior executives established by the general meeting as well as the applicable remuneration structures and levels. The Remuneration Committee is also to monitor the completed audits of the control functions concerning remuneration and assess if the remuneration system takes into account all of the risks based on the Company's risk profile and, if necessary, submit proposals for an action plan to the Board. The Remuneration Committee is subject to rules of procedure established by the Board that regulate the Committee's work.

Risk Committee

The Risk Committee continuously processes identified risks and related information that are established by the Board. The Risk Committee's tasks include continuously providing the Board with proposals on areas that should be examined and to evaluate the ORSA report before presenting these findings to the Board. The Risk Committee comprises the CEO, CFO, Actuarial Function, Compliance Function and the Risk Management Function.

Investment Committee

The primary task of the Investment Committee is to work with the management of the Company's investment portfolio within the framework of the Board's established governance documents. The Investment Committee meets on a monthly basis. The tasks and responsibility of the Investment Committee include the right to make decisions on investments and investment strategies and to analyse the financial markets and associated risks. The Investment Committee manages the risks that

are associated with investments and follows up on liquidity risk every month. The Investment Committee comprises the CEO, CFO and a member of the Board. In addition, the Investment Committee is authorised to engage external expert advisors and to appoint an advisor as a member of the Committee.

Key functions

The Company has four independent key functions – the Risk Management function, the Compliance function, the Actuarial function and the Internal Audit function. These functions are responsible for reviewing, auditing and supporting operations as well as for reporting to the Company's Board to ensure the Company's internal control.

These functions are permanent, are assigned the resources they need for performing their duties and work independently of the Company's operating activities.

The control functions report regularly and continuously on identified material shortcomings and risks to the Company's Board, the Company's Corporate Governance Committee and the CEO.

EIOPA's Guidelines on Information and Communication Technology Security and Governance ("ICT guidelines") have also been in force since 1 July 2021. The ICT guidelines stipulate, among other matters, that insurance companies are to establish an information security function in charge of information security measures and procedures. Accordingly, the Company has had an information security function in place since July 2021, which is not a key function under the Solvency II regulations, but which the Company classifies among other control functions as it is part of the second line of defence.

The other key functions under the Solvency II regulations are described in more detail later in the report.

Remuneration

The Board of the Company has established a remuneration policy which is designed to create an overall regulatory framework regarding remuneration of all the Company's employees.

The Chairman and members of the Board are paid the fees resolved by the General Meeting. They are not paid for Committee work. The Board decides on the remuneration of the CEO, but has delegated the decision on the remuneration of other employees to the CEO. Remuneration comprises a basic salary, variable remuneration, other benefits and pension.

The Company is to have a remuneration system for insurance distribution that is structured in such a manner that the remuneration structure does not counteract good insurance distribution practice, and there is to be a balance between fixed and variable remuneration that promotes the customer's interests.

Variable remuneration earned in 2021 is linked both to qualitative and to quantitative goals. The Company has ensured that all goals related to variable remuneration for 2021 can be reliably measured. In the Company's assessment, the level of risk applied must be well in proportion to the Company's earnings capacity. Variable remuneration for 2021 represented 1.6 per cent (0.8) of fixed remuneration.

The fixed/variable remuneration ratio must be commensurate with the individual's responsibility and authority. The Company believes that there is an appropriate balance and has set a limit on variable remuneration in relation to fixed remuneration. All agreements that regulate variable remuneration have been capped to allow such a limit to be applied. There is no guaranteed variable remuneration.

Due to the separate listing process in 2021, the CEO received a transaction bonus of SEK 850 in December 2021 according to a separate agreement. The criteria for payment of the transaction bonus had been met when the Company was listed on Nasdaq Stockholm on 1 December 2021. Other than

this, the CEO does not receive any variable remuneration and thus has no performance criteria linked to this. No variable remuneration is paid to other employees in senior positions and key functions.

The Company has only defined-contribution pension plans, which are recognised through profit or loss during the period in which the employee rendered service to the Company.

Information about material transactions

Group contributions of KSEK 60,000 for the 2020 financial year were paid to the former Parent Company Resurs Holding during the year.

B.2 Fit and proper requirements

The Company's Board has established and had documented criteria and processes for the assessment of the fit and proper requirements for persons who are responsible for important functions within the Company and for sub-suppliers that the Company has decided to outsource important functions to. These processes and procedures have been prepared to ensure that the senior executives, either jointly or individually, have suitable qualifications, experience and knowledge, and to ensure that the Company has procedures for taking measures when such persons are not suitable for the positions in question.

The Company has assessed that the following employees can significantly influence the Company's risk level:

- Board members of the Company
- employees in senior positions
- head of the Actuarial function
- head of the Compliance function
- head of the Risk Management function
- head of the Internal Audit function

Employees in senior positions means: CEO, CFO, CIO, Head of Operations and CCO.

The Company believes that the senior executives have the insight and experience that must be required of a person participating in the governance of an insurance company and are otherwise suitable for such an assignment. The senior executives are to possess, at any point in time, sufficient qualifications, knowledge and theoretical experience in the area of operations to enable them to exercise sound and prudent management, and in addition their reputation ('proper') and integrity must meet high requirements.

When assessing the experience the senior executives have in relation to the experience required, the Company considers the nature, scale and degree of complexity of the Company's operations, and the work duties that the position has. However, the senior executives must always be proper.

Overall competence of the Board

The members of the Board are to jointly possess the necessary qualifications, competence and experience in the relevant areas of operations so that they can effectively and professionally manage and oversee the Company.

At a minimum, the Board is to collectively possess appropriate qualifications, experience and knowledge about the following:

- a) insurance and financial markets;
- b) business strategy and business model;
- c) system of governance;
- d) financial and actuarial analysis;
- e) regulatory frameworks and requirements.

Criteria and processes have been documented for each function/executive in the Company's internal governance documents. In these governance documents, the Company has also determined the situations that could result in a new review of the fit and proper requirements.

The CEO is responsible for ensuring that fit and proper assessments of senior executives are carried out when situations that require such an assessment arise. The Chairman is responsible for the fit and proper assessment of the CEO.

The CEO and all Board members have been subject to a suitability assessment by the Financial Supervisory Authority. The client managers for outsourced key functions have also undergone a suitability assessment by the Financial Supervisory Authority.

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

The Company's framework for risk management is an integrated part of the Company's operations and unites the Company's strategic targets with risk management. The risk management framework includes the Company's functions, risk owners, strategies, governance documents, risk appetite, tolerances, limits, controls and reporting procedures necessary for identifying, measuring, monitoring, managing and reporting risks.

The Company has standardised the process for identifying, assessing and reporting risk and it has been implemented in the organisation to create risk awareness, encourage risk culture and enhance the efficiency of risk management.

Risk strategy

The Company's business is to be conducted in a risk-aware manner with a responsible level of risk-taking that ensures at all times that the Company has adequate solvency in relation to the risks to which the Company is exposed.

Risk-related governance documents

The Company has adopted internal governance documents as part of the Company's system of governance. These governance documents follow the requirements of external regulations and have been adapted to each other and to the Company's business strategy and the scale, nature and complexity of the operations.

Risk appetite and risk tolerance

The Company's overall risk appetite is adopted every year by the Company's Board and is expressed in the form of a solvency ratio based on SCR. The risk tolerances for each risk group are also adopted by the Board annually and communicated in the Company's internal governance documents.

Limits and indicators

Limits are primarily controlled by the Risk Management function's audits and indicators via quarterly reports to the Risk Management function.

Identify and measure risks

The identification and measurement of risks in the Company's operations take place in connection with analysing and updating key processes, self-assessments of control activities, reporting via the Company's risk and independent reporting, other operational reporting and the control functions' audits.

The Company has determined which processes in its operations are of material importance. Each material process is documented and has a designated process owner. The process documentation is to include a description of the primary activities of the process and their inter-connection, identified risks, when the control is to be performed and decisions made in the process, stakeholders and the results of the process. The documentation is to be updated by the process owner when changes are made to the process. The process documentation is to be revised at least once a year.

A more detailed risk assessment is to be carried out or updated at least once per year. The Company has established a number of control activities that counteract the most material risks in the risk assessment with the aim of ensuring a minimum level of control. These control activities serve as a basis for the minimum level of control that must be established and function in the Company's overall processes.

A self-assessment of minimum requirements of defined controls is to be conducted and reported each year. The CFO is responsible for the self-assessment process concerning the financial risks that are reported to the Audit Committee and thereafter to the Board. The CEO is responsible for the self-assessment process for the remaining components, which are reported to the Corporate Governance Committee and thereafter to the Board. The Risk Management function is responsible for the practical implementation of the self-assessment process and follows up that all of the sub-sections are tested and reported internally.

The Company's employees report risks and incidents to the Company's Risk Management function, which documents and analyses reported incidents. Any losses arising in conjunction with incidents are also documented. The Company has procedures in place to ensure the accuracy of this information. Reported risks are registered in a risk database, and the purpose of this database is to enable the Company to take action to minimise losses and reduce the risk.

A risk owner is appointed for all identified risks and incidents, and this owner appoints an individual as responsible for implementing an action plan. All actions are marked with a implementation deadline and degree of severity. The degree of severity of the risk or the incident reported to the risk database is then assessed by the Risk Committee based on probability and consequence. The Risk Committee also assesses the adequacy of proposed controls and/or actions, and whether the risk should be mitigated or accepted. The Risk Committee provides the Board with proposals for risk-reducing measures for the areas in which risks have been identified.

Management and oversight of risks

It is primarily the risk owner who manages risks in the operations and the Risk Committee. Monitoring mainly takes place via audits performed by the control functions according and in addition to plan, and via documented controls in the first and second lines.

Reporting and monitoring

The risk owner reports back to the Risk Management function and, when applicable, the Risk Committee.

The Risk Management function and the Compliance function report to the CEO, Board and Corporate Governance Committee at least four times a year, both in writing and verbally. In the case of material risks, the Risk Management function, Compliance function or the Actuarial function are to inform the CEO and the Board outside the regular reporting.

Risk Management function

The function is tasked with the independent and autonomous monitoring and review of the Company's risks. The review is to include, inter alia, analysis of the development of risks as well as how the Company manages existing and expected risk factors in its operating activities.

The responsibilities, tasks and reporting procedures of the function are governed by the policy for the Risk Management function adopted by the Board. The function's tasks include the following:

- Assist the Board, CEO and other functions for the purpose of ensuring the effective operation of the risk management system.
- Oversee the risk management system.
- Report on risks

The function is independent in relation to the business activities, and the function's audits are carried out in accordance with the audit plan adopted annually by the Board. The audit plan includes the focus and scope of the audits, meaning the scale of the auditing activities to be carried out, the areas in which the audits are to take place and the resources required for performing the audits. The focus and scope are based on the annual overall risk analysis.

The function is an independent key function immediately under the CEO and is ultimately responsible to and reports directly to the CEO and Board. Completed audits and observations are reported on a quarterly basis both verbally and in writing to the CEO, the Board and the Parent Company's Corporate Governance Committee.

In its work, the Risk Management function is to have access to all parts of the operations and also be granted access to Company management and the management teams if required. Furthermore, the CEO is to ensure that the function has access to the necessary and adequate resources to be able to carry out its duties and unrestricted access to all information required to be able to carry out its duties.

When necessary, the Risk Management function works together with the Company's other functions for the purpose of performing its duties. The Risk Management function has an obligation to inform the Compliance, Internal Audit and Actuarial functions about any circumstances that are relevant for their respective duties. The Company must also ensure that the relevant organisational units in the Company inform the Risk Management function of any circumstances relevant to its duties.

Own risk and solvency assessment

The Company makes use of an Own Risk And Solvency Assessment (ORSA) to combine Pillar I and II according to the Solvency II Directive. Under Pillar I, quantitative calculations are made of the risk-weighted Solvency Capital Requirement (SCR) using EIOPA's standard formula, which is to compare the Company's own view of risks identified and measured based on the Company's risk management system and handled in Pillar II.

Accordingly, the ORSA is used to ensure that risks are adequately managed and to evaluate how well the Company-specific risks correspond to the capital requirements for the various risk groups under Pillar I. The second purpose of the ORSA is to carry out a forward-looking assessment for at least a three-year period of the development of the operations, risk profile and capital requirements, and the relationship with the Company's established risk appetite and available capital. The ORSA process takes place at least once annually.

The process is based on the ORSA policy adopted by the Board. This policy describes the activities and functions that are involved.

1. The Board adopts the risks that the Company accepts based on budget, business plan and other commitments by determining the Company's risk appetite, tolerances and limits to ensure that the operations are governed according to the desired risk level. The established levels are communicated in the Company's policies.
2. The Company's risks are quantified using the internal risk model, which results in the own solvency assessment. This assessment is based on the exposures measured according to the financial reporting and are described in more detail in section C Risk profile.
3. The current solvency situation is assessed based on the Solvency II regulations by reviewing the SCR calculation, which is then qualitatively compared with the own solvency assessment. The assessment of the current solvency situation also includes risks that are not specifically managed by the capital requirement calculations of the standard formula, such as reputation risk, strategic risks and emerging risks.
4. The assessment of the future solvency situation for three years is carried out by analysing the trend in the risk appetite over the selected time elapsed if the adopted business plan and budget are executed as planned and given a base scenario of assumptions for risk drivers.

The analysis is supplemented with stress tests and scenario analyses which stress test the calculations. These stress tests mean that a number of selected risk drivers are individually stressed and the outcome described. A scenario analysis is a description of a number of risk drivers that combine to form a scenario and their joint impact on the Company.

The forward-looking assessment is used to ensure that the Company will maintain sufficient capital in the future to cover the risks inherent in the business plan and budget. If the results show that the risk appetite is exceeded, a decision must be made as to whether to change the business plan or budget, introduce risk-reducing measures, raise capital or carry out a combination of these actions.

5. An ORSA is adopted by the Board and submitted to the Financial Supervisory Authority within two weeks. This takes place at least once annually. Once the ORSA has been adopted, the relevant parts are communicated to the employees concerned at the Company and the necessary governance documents are updated.

The ORSA process is an integrated part of the framework of the Company's risk management and the ORSA is integrated into the decision-making progress of the operations, and thus material and strategic decisions and business planning. This process includes evaluating capital requirements based on the SCR, which involves evaluating the effects on capital planning and measuring risks in connection with new initiatives.

B.4 Internal control system

The Company integrated a control system into the business in order to establish a good corporate culture for internal governance and control whereby all employees and functions strive to achieve a good control environment. This system is documented and communicated to all employees.

Since the corporate culture is, in the first instance, established by the management body and then implemented in the rest of the organisation, the Board and the CEO are responsible for establishing such an integrated control system for the entire business. The central parts of this system are:

- The Company's control environment, which can be described as three lines of defence with different areas of responsibility with joint responsibility for a high level of internal governance and control,
- The Company's internal governance documents that contain the Company's integrated control processes,
- The Company's contingency and continuity management,
- The Company's procedures and processes for reporting and communication, and
- The Company's internal controls carried out in the first line.

The Company's three lines

The Company's risk management is based on the approach of three lines of defence whereby the combination of the different lines ensures effective risk management in the daily operations.

First line – Administrative body

The first line comprises the entire operations and all employees apart from those included in the second and third lines, meaning the control functions. The line thus encompasses the operating and business activities, administrative functions and staff functions. This is the risk-taking part of operations and is responsible for compliance with internal and external regulations in the daily operations. The responsibility assigned to every employee is documented in internal governance documents and procedures. Each area of operations has regular internal controls in place with individuals designated to manage and conduct. Control logs are filled in for each control completed. The Company's internal controls are monitored in conjunction with the control functions' audits and through an annual follow-up of the Risk Management and Compliance functions.

Second line – Control functions

The second line comprises the Risk Management, Compliance and Actuarial functions, which are independent from the administrative body since they do not participate in the business activities. These control functions are responsible for verifying that the first line complies with internal and external regulations. In addition, the second line is to provide support for the first line in its work on internal governance and control and follow a risk-based and proactive approach to create a good and effective control environment at the Company. The second line is also responsible for analysing, monitoring and reporting to the Board, CEO and other stakeholders.

Third line

The third line is the Internal Audit function. This function continuously reviews the Company's operations as well as the activities of the first and second lines to ensure that the administrative, management and supervisory bodies discharge their undertakings pursuant to external and internal regulations and possess an appropriate level of competence. The third line is independent of the Company's operating activities and reports directly to the Company's Board. Recommendations from the third line trigger prioritised activities in the first and second lines.

Internal governance documents

The Company has adopted internal governance documents as part of the Company's system of governance and internal control systems. These governance documents follow the requirements of external regulations and have been adapted to each other and to the Company's business strategy and the scale, nature and complexity of the operations.

The Company's internal governance documents define the areas of responsibility and the duties of the three lines of defence. The internal governance documents have consistently been prepared based on the requirements of transparency and clarity so as to thereby ensure continuity in the operations.

All governance documents contain descriptions of the purpose, the tasks to be performed and the person or function who is responsible for them, the reporting and monitoring procedures for internal and, if applicable, external reporting that are to be applied and how each governance document is to be communicated to stakeholders in the Company's organisation. Each governance document is also to have a document owner who is responsible for updates/revisions of the governance document and to ensure compliance with the governance document.

All governance documents are to be reviewed annually, revised if necessary and adopted by the appointed management, supervisory or administrative body, regardless of whether changes have been made. The Company's Board has established a schedule for when each governance document is to be adopted during the financial year.

Governance documents containing documented control processes must always include:

- a description of the scope of internal audits of the system of governance and how often they should be conducted given the nature, scale, complexity and structure of the operations, meaning how the requirement of a risk-based approach is met,
- procedures for documenting audits and reporting of audits,
- procedures for monitoring and control when shortcomings are identified.

Internal governance documents are divided into three levels with varying aims and degree of detail, see below. External regulations stipulate which function is to adopt a specific internal governance document. However, the Company may deviate from these regulations regarding certain governance documents of key importance.

Level 1 – Policies

The policies are adopted by the Company's Board and determine general principles and values and set the ultimate frameworks for the work that is to be performed. The policies are the Board's tools for implementing external regulations and overall strategies and targets under this framework. This level of governance document sets the structure for the operations and clarifies the overall division of responsibilities between the first, second and third lines of defence.

Level 2 – Guidelines

Guidelines are, as a rule, determined by the Company's CEO and/or the head of function and define the areas of responsibility for the Company's function and describe the work that is to be performed. Furthermore, the governance documents at this level stipulate the monitoring and reporting that is to take place for this work. The level of detail of the guidelines depends directly on the requirements set in external regulations, although documents at this level generally address more specific areas in more detail than similar instructions.

Level 3 – Descriptions of procedures and processes

Descriptions of procedures and processes are adopted by the CEO and/or the head of function and include detailed descriptions of how work that is generally governed by instructions and guidelines is to be performed. The aim of this level of governance document is to ensure the continuity of the day-to-day work.

Reporting

Reporting from control functions – Internal Audit, Compliance and Risk Management regularly report on their observations, assessments and proposed action to the CEO, the Corporate Governance Committee and the Company's Board. The Actuarial function reports significant events continuously and in an Actuarial Report every year to the CEO and Board.

Reporting procedures for the functions are documented in governance documents for each function.

Reporting from the administrative body – In order to ensure that relevant information is reported to the management and administrative body for the decision-making processes, the Company has established reporting procedures for each function. These procedures are detailed in the Company's adopted position descriptions and the head of each function is ultimately responsible for the reporting.

External reporting – The Company's external reporting and reporting processes are documented in internal governance documents. The governance document states the responsible reporting function, the reporting process, who is to prepare the report, who is to check the report and who is to approve the report, and the time schedule for the reporting.

Internal communication

In order to promote a good internal control environment with continuity, all functions and employees must notify the Risk Management, Compliance and Actuarial function about circumstances that negatively impact the internal control of the Company.

The control functions are to have the right to gain access to all the information required in order for the functions to be able to perform their duties. The control functions are, in turn, to handle this information with the level of due care required in each individual case.

The CEO and all heads of functions must ensure and promote that all employees in the Company are aware of and have information about how they are to work towards and contribute to achieving efficient and good internal governance and control. This is mainly achieved through regular training on internal and external regulations. On the Company's intranet, employees are able to access the Company's governance documents and other training material.

Continuity management

The Company has adopted a continuity plan to ensure its ability to maintain its operations and limit losses in the event of a major disruption to the operations. Based on an analysis, the Company has assessed in the plan the most important main and support processes, established an order of priority among these processes and identified the risks that should be considered.

Compliance function

The Compliance function is responsible for monitoring and assessing the adequacy and effectiveness of the measures implemented by the Company to meet its obligations under applicable external regulatory frameworks pertaining to the licenced operations.

The responsibilities, tasks and reporting procedures of the function are governed by the policy for the Compliance function adopted by the Board. The function is independent in relation to the business activities.

The Compliance function is to establish a strategy and a detailed work programme for regulatory compliance. The strategy describes the function's responsibilities, authorities and reporting obligations. The work programme describes the function's planned activities, taking into consideration all relevant areas of operation for insurance and reinsurance entities as well as their exposure to non-compliance risk. The Board is to be informed of the Compliance function's work programme.

The Board is to establish the scope and frequency of internal audits of the system of governance, taking into account the nature, scale and complexity of the Company's operations. The Board establishes the scope and frequency of the Compliance function's internal audits of the system of governance in a general audit plan for the Compliance function. The audit plan for the Compliance function is to be adopted by the Board.

The function is an independent key function immediately under the CEO and is ultimately responsible to and reports directly to the CEO and Board. Completed audits and observations are reported on a quarterly basis both verbally and in writing to the CEO, Board and the Company's Corporate Governance Committee.

In its work, the Compliance function is to have access to all parts of the operations and also be granted access to Company management and the management teams if required. Furthermore, the CEO is to ensure that the function has access to the necessary and adequate resources to be able to carry out its duties and unrestricted access to all information required to be able to carry out its duties.

When necessary, the Compliance function works together with the Company's other functions for the purpose of performing its duties. The Compliance function has an obligation to inform the Risk Management, Internal Audit and Actuarial functions about any circumstances that are relevant for their respective duties. The Company must also ensure that the relevant organisational units in the Company inform the Compliance function of any circumstances relevant to its duties.

B.5 Internal Audit function

The role of the Internal Audit function is, independent of the Company's operating activities and the other control functions, to audit and evaluate the Company's operations to ensure that they are being conducted in accordance with external regulations and the internal rules determined by the Company's Board and/or CEO/head of function. Under the framework of this work, the function is to audit and evaluate to ensure that the Company's organisation, governance and internal control are effective and appropriate. Furthermore, the function is to present recommendations and estimated time schedules for taking action on potential shortcomings to the relevant stakeholders, based on the observations made and monitor to ensure compliance with the recommendations provided.

The responsibilities, tasks and reporting procedures of the Internal Audit function are governed by the policy for internal audit adopted by the Board and the Internal Audit function. The internal audit work is conducted pursuant to the audit plan, adopted annually by the Board, and based on a general multi-year plan. The audit plan aims to describe the internal audit's focus and actions linked to specified risk areas. These risk areas are based on a completed risk analysis. The Company's Internal Audit function is outsourced to an external party.

The responsibility of the Internal Audit function is, by applying an independent, impartial, systematic and structured way of working, to evaluate and improve the efficiency of and provide recommendations about the Company's risk management, internal governance, IT systems, regulatory compliance, financial reporting and systems for internal control and other parts of the system of governance.

The Internal Audit function is an independence key function and reports to the Company's Corporate Governance Committee and the Company's Board. The Company's Internal Audit function is outsourced to Öhrlings Pricewaterhousecoopers AB, 556029-6740.

When necessary, the Internal Audit function works together with the Company's other functions for the purpose of performing its duties. The Internal Audit function has an obligation to inform the Risk Management, Compliance and Actuarial functions about any circumstances that are relevant for their respective duties. The Company must also ensure that the relevant organisational units in the Company inform the Internal Audit function of any circumstances relevant to its duties.

The function is to cooperate and exchange information with the Company's external auditors.

B.6 Actuarial function

The Actuarial function is responsible for the coordination and validation of technical calculations as well as the data quality on which they are based. It also includes the evaluation of the appropriateness of the methods, models and assumptions used. Furthermore, the Actuarial function checks and validates the calculations of the legal Solvency Capital Requirements under Solvency II and the valuation principles used for the technical provisions. Validation follows the framework established by the Board in the policy for technical provisions and the policy for managing reserve level risk. The function also participates in the Company's risk management and supports the effective implementation of the Company's risk management system.

The Actuarial function is an independent key function immediately under the CEO and is ultimately responsible to and reports directly to the CEO and Board. The primary role of the function is to audit and coordinate.

The head of the function is responsible for submitting a written report to the CEO and Board, at least once a year in connection with the closing of the annual accounts, that describes and provides commentary on the validations of the technical provisions that have been completed. The Actuarial function shall, at least once a year, report a compilation and commentary on the legal capital requirement calculations to the Risk Management function and the Company's risk management system. At least once a year, a written report is submitted to the Board and the CEO in which the Actuarial function documents all activities that it has carried out and their results, clearly identifies all shortcomings and provides recommendations on what action to take to remedy these shortcomings.

The Actuarial function is to rapidly report all major problems within its area of responsibility to the CEO and the Board.

The Actuarial function is to have the opportunity, on its own initiative, to communicate with all employees and have the necessary authority and expertise and unrestricted access to all relevant information that the function needs in order to carry out its obligations. In its work, the Actuarial function is to have access to all parts of the operations and also be granted access to Company

management and the management teams if required. Furthermore, the CEO is to ensure that the function has access to the necessary and adequate resources to be able to carry out its duties.

When necessary, the Actuarial function works together with the Company's other functions for the purpose of performing its duties.

The Compliance function has an obligation to inform the Risk Management, Internal Audit and Actuarial functions about any circumstances that are relevant for their respective duties. The Company must ensure that the organisational units concerned inform the Actuarial function of any circumstances relevant to its tasks.

B.7 Outsourcing

The Company has documented processes and procedures for outsourcing to service providers as regards functions and/or other parts of the Company's insurance operations in the Company's policy for outsourcing operations. The processes and procedures include:

1. procedures, processes and criteria for the selection of service provider,
2. procedures for examining and documenting the effects of the outsourcing agreement on the Company's operations, risks and risk profile,
3. the Company's requirements for information and structure as regards written agreements between the Company and the service provider,
4. procedures for evaluating performance and results,
5. reporting and monitoring procedures,
6. business contingency plans, and
7. procedures and processes for outsourcing critical or important operational functions or activities including criteria for determining whether a function or an activity is critical or important.

The processes and procedures above are applied by the Company regardless of whether the work or function is outsourced to a completely external party or a party within the same Group to which the Company belongs.

The policy states that outsourcing of a key function is to be defined by the Company as an operation of material significance. All operations of material significance are to be approved by the Company's Board before they are outsourced to external contractors. The CEO is responsible for presenting any outsourcing of operations to the Board.

When the Company gives partners, agents and insurance intermediaries the right to enter into insurance contracts, based on outsourcing, and in certain cases the right to adjust claims, in the Company's name and on its behalf, the Company has identified the process for outsourcing operations as critical. As a result, the process is to be regularly assessed and examined by both the administrative and supervisory body. The Compliance function is to ensure monitoring, control and compliance with this policy. The results of such controls are reported in writing to the CEO, Corporate Governance Committee and the Company's Board. Any serious shortcomings that are identified are to be reported to the Company's Board immediately.

The Company's material outsourcing agreements as per 31 December 2021 that have been reported to the Financial Supervisory Authority:

- Claims adjustment
- Archiving
- Ancillary insurance brokerage
- IT operation services
- Internal Audit function

The jurisdictions regarding outsourcing of claims adjustment are Switzerland, the UK, Denmark and Finland. The jurisdiction is otherwise Sweden.

The Company checks legislation and updates to laws and monitors relevant amendments and regulations on an annual basis to ensure that the Company complies with the regulatory requirements stipulated for the Company's operations. Partnerships are entered into with local lawyers in the countries in which the Company is unable to monitor or continuously follow up the above itself.

B.8 Other information

No other information.

C Risk profile

The operations conducted by the Company are non-life insurance and the most material risk exposures are insurance risks and market risks. The Company is exposed to counterparty risk through reinsurance, bank deposits and other receivables. Finally, the business is exposed to operational risks.

The Company's ORSA that was submitted to the Financial Supervisory Authority for 2021 presented a base scenario, two scenario analyses including stress tests and a reverse stress test of the identified material risks in order to prepare an appropriate basis for assessing the Company's total solvency requirements. To develop the base scenario, the Company used a new forecast adopted by the Board. The base scenario shows a strong solvency position over the time horizon. The scenarios and stresses established for testing the strength and resilience of the solvency position over a given time horizon provide good insight into the types of risk that the Company is most sensitive to. The Company's risks are quantified in the Company's annual ORSA process, using the internal risk model, which results in the own solvency assessment.

The Company carried out a review of potential changes to the Company's risk profile in connection with the Company's listing on Nasdaq Stockholm on 1 December 2021. The Company identified only minor changes in the risk profile. In connection with this, the forward-looking scenarios were revalued based on the assumptions after the listing.

Internal risk model for quantifying risks

The Company has developed an internal risk measure for each risk group in the Company's risk profile. The measure is used to quantify the Company's risks used in the own solvency assessment. The internal model is adapted to match the Company's operations and is used to highlight any differences compared with the calculations in the standard model. The assessment of the current solvency situation also includes risks that are not specifically managed by the capital requirement calculations of the standard formula, such as reputation risk, strategic risks, emerging risks and sustainability risks.

The Company's internal risk model and own solvency assessment are based on exposures valued according to the financial reporting and are thus related to the Company's earnings according to the financial reporting and the volatility that can arise in this. Accordingly, this model should not be compared with the model (EIOPA's standard formula) that the Company uses to calculate the regulatory Solvency and Minimum Capital Requirements (SCR and MCR) since these models are based on exposures valued according to Solvency II. The internal valuation of the Company's risks is presented in the table below.

Based on how the Company's internal risk model quantifies risks in the various groups above, and how these risks are expected to arise, the Company has assumed in its internal risk model that there is a certain correlation (diversification) between the various risk groups. This means that the total risk estimates for the total of all risk groups are considered together with a set correlation between the risk types. According to the internal valuation of the Company's risks on 31 December 2021, the Company has calculated that the total valuation of the Company's risks amounts to SEK 390,623 (347,560). The internal valuation of all risks compared with own funds according to the financial report, which amounts to SEK 815,531 (693,849), means that the own solvency assessment of the Company is deemed to be good. The Company's quantified total risk profile does not exceed the statutory SCR and the Company thus believes that no additional capital add-on to the SCR is needed.

Total own solvency assessment SEK	2021-12-31	2020-12-31	Change for the year
Market risk	67 167	89 102	-21 936
Counterparty risk	38 775	18 790	19 984
Insurance risk	317 751	277 869	39 882
Liquidity risk	0	0	0
Diversification	-61 374	-63 363	1 988
Operational risk	20 047	17 441	2 606
Other risks	8 257	7 719	538
Total own solvency assessment	390 623	347 560	43 063

C.1 Underwriting risk (Insurance risk)

Insurance risk is the risk of a change in value due to deviations between actual and expected insurance costs. This means the risk that actual outcome deviates from the expected outcome due to, for example, a higher claims frequency, larger average claims costs, or one or more major claims.

Insurance risk primarily comprises premium and reserve level risk and disaster risk. The Company defines insurance risk as the single largest risk group.

The Company manages and minimises insurance risk by means of the policies issued by the Board on managing underwriting and reinsurance risks, technical provisions and reserve levels. These policies govern the limits and areas in which insurance may be taken out and how and using which methods the technical provisions are to be calculated.

The risks that the Company may assume and the deductible that is to apply are set by the Company's Board, taking into consideration the Articles of Association, the Company's policy for actuarial guidelines and the limits that apply for the Company regarding its equity and otherwise taking into account the limits stipulated in the Insurance Business Act. The Company's CEO is responsible for ensuring that the Company has satisfactory reinsurance cover for underwritten risks.

The Company's insurance risk in the own solvency assessment increased KSEK 39,882 during the year and amounted to KSEK 317,751 (277,869). The increase was primarily driven by an increase in exposure in the Company's Assistance segment.

C.2 Market risk

Market risk is the risk of loss or an adverse change in the financial position caused directly or indirectly by fluctuations in the market prices of assets and liabilities. Losses in the investment portfolio may arise as a result of unfavourable changes in the level or volatility of interest rates, equity prices or currencies. The Company's asset management, and also the Company's investment strategy, must be characterised by risk-taking that is commensurate with the Company's risk appetite, and with compliance and efficiency ensured through regular monitoring.

The Company's assets are invested according to the prudent person principle, which means that investments are made in instruments whose risks the Company can identify, measure, oversee, manage, control and report. Assets held to cover technical provisions are entered into a precedence register with information about their localisation and availability.

The Company has a policy established by the Board that regulates such matters as limits and power for the type of investments, counterparties and trading venues. These limits are continuously monitored and considered when making new investments.

A large proportion of the Company's investments are in interest-bearing securities, which means that the Company is exposed to the risk of changes in market interest rates. Investment decisions are managed and limited by the policy on investments adopted by the Board and by monitoring the duration of these investments. Cash flows from investments are matched against cash flows from the insurance operations. Fixed interest-rate periods for the investments corresponding to provisions for net technical liabilities are to essentially be the same as the durations of the technical liabilities. The Company's durations for technical liabilities are short and matching takes place by investing a large portion of the investment assets in interest-bearing instruments.

The insurance operations short-tailed, which leads to relatively low exposure to changes in interest rates. The Company's fixed-income investments are in conventional government and corporate bonds.

The Company is exposed to changes in equity prices through its investments in shares, which represent a relatively small proportion of the Company's total investments.

Equity risk is managed and restricted by issuing governance documents in the form an investment policy that describes the proportion of the Company's total investments that may be invested in shares. The Company has, as per the reference date of this report, not made use of the full mandate and instead is restrictive in its equities investments.

Currency risk arises when the values of assets and liabilities in foreign currency translated to SEK are subject to unfavourable changes due to fluctuations in exchange rates.

To minimise the Company's currency risk, the Company endeavours to ensure that assets and liabilities in each individual currency match. If over exposure arises that cannot be managed by matching, the use of currency derivatives is considered to handle this. However, any currency derivatives are not used speculatively.

Concentration risk inherent in investments is primarily the result of a small number of investments that exceed the Company's concentration limits. These investments are primarily in well-capitalised Swedish companies that are in line with the Company's accepted tolerances and limits. The reason that the concentration exists is that the investments offer relatively high returns on the Company's operational risk and compared with other investment options in the current low interest-rate climate.

The impact of concentration risk is continuously monitored by the Investment Committee when investments are made or changed in the investment portfolio.

The Company's market risk declined KSEK 21,936 during the year to KSEK 67,167 (89,102), which was primarily driven by concentration risk for which a large exposure lapsed.

Market risk KSEK	2021-12-31	2020-12-31	Change for the year
Interest rate risk	1 117	1 274	-157
Equity price risk	46 698	53 108	-6 410
Spread risk	15 170	18 020	-2 850
Concentration risk	26 007	54 924	-28 917
Currency risk	7 473	5 927	1 546
Diversification in Market risk	-29 298	-44 151	14 852
Total Market risk	67 167	89 102	-21 936

C.3 Credit risk (Counterparty risk)

Counterparty risk is the type of risk that is inherent in every type of contractual relationship and financial stability is mainly taken into consideration. Counterparty risk is limited using limits for individual counterparties and analyses of the counterparty's financial position. The Company is exposed to counterparty risk in the receivables included in deposits in commercial banks, reinsurance and accounts receivable.

The Company manages and restricts the risk through policies issued by the Board of directors that set out the framework for assessing the counterparty's ability to discharge its obligations. Counterparty risk to reinsurers is limited by only signing agreements with reinsurers that have a credit rating of BBB for short contractual periods or A or higher for long contractual periods.

Accounts receivable are recognised at the amounts expected to be received, meaning after deductions for doubtful receivables. The Company makes an assessment at the end of every reporting period as to whether there is objective evidence of an impairment requirement. Objective evidence includes indications that a borrower or group of borrowers has significant financial difficulties, default or delinquency in interest or principal payments or that the borrower will enter bankruptcy or other financial reorganisation. Impairment is not reversed until there is verifying information that the impairment requirement no longer exists.

Counterparty risk in the Company's own solvency assessment increased KSEK 19,984 during the year to KSEK 38,775 (18,790), which was primarily driven by concentration risk for which a large exposure lapsed.

C.4 Liquidity risk

Liquidity risk is defined as the risk of the Company being unable to realise investments and other assets in order to discharge its financial obligations when they fall due for payment. To limit liquidity risk, investments in bonds, bills, commercial paper and equities are to be made in securities that are listed in a marketplace where there are conditions for daily trading and high volumes in relation to the investment made. Total liquidity risk is governed by limits for each type of investment by a counterparty. Short and long-term liquidity are monitored on a monthly basis via the Company's Investment Committee.

The Company consciously monitors its excess liquidity, meaning the liquidity available in bank accounts that is not needed in the daily operations for 12 months ahead. Since the Company has a large amount of excess liquidity as per 31 December 2021, liquidity risk in the own solvency assessment is deemed to be SEK 0 (0).

C.5 Operational risk

Operational risk refers to the risk of loss due to incorrect or non-appropriate internal processes and procedures, human errors, incorrect systems or external events, including legal risks.

Operational risk is countered by internal control. The establishment of effective internal control is an ongoing process in the Company, and this includes:

- the requirement for appropriate policies, guidelines and procedures for recurring work duties;
- a defined division of responsibilities and duties for employees;
- compliance with laws, regulations and provisions;
- IT support in the form of an accounting and finance system with built-in automated checks and controls;
- internal information and reporting systems, for example, to meet management's demands for information; and
- information security and physical safety to protect the Company's assets and personnel.

All risks reported via risk and incident reporting and other highlighted risks are addressed by the Risk Committee and valued and documented in the Company's risk register. The risk register enables the Company to gain an overall view of the quantification of all of the Company's identified operational risks. At least once a year, the Company is to review all registered operational risks in the risk register together with the risk owner to ensure that sufficient controls are in place or that other risk-reducing processes are appropriate and effective and to potentially reassess the risk in question. If a material risk with shortcomings is identified, a specific action plan is prepared that is continuously monitored.

Every year, the Company reviews its insurance coverage as regards, for example, liability and property, to ensure that the Company's insurance coverage corresponds to the Company's desired risk level.

In 2021, the Company analysed its operational risks together with the risk owners in the Company, the risk and incident reporting, other operational reporting, process mapping, control functions' audits and follow-ups of risk appetites, tolerances, limits and indicators. The purpose of the analysis is to map the operational risks to which the Company is exposed and assess their potential impact on the Company's operations. The operational risks that have been identified based on the analysis have been quantified based on their probability and consequence with the help of each risk owner and have been entered into the Company's risk register. Net risks have then been aggregated to provide the Company of an idea of the capital required for the operational risks. The various parts of operational risks are: compliance risks, personnel risks, process risks, IT and system risks, and external risks.

Based on the Company's total risk register for operational risks, the aggregated net exposure to these risks amounts to KSEK 20,047 (17,441) in the Company's own solvency assessment. The slight increase

in the operational risks was attributable to the review of the risk profile the Company conducted in connection with the separate listing. In many cases, the Company has a control environment for reducing the probability of the risk occurring and/or the consequence of its occurring.

C.6 Other material risks

A description is provided below of the other risks to which the Company believes it is exposed and the reasoning behind the Company's management of these risks. The Company has identified the other risks as strategic risk, reputation risk, liquidity risk, emerging risks and sustainability risks. During the year, the Company analysed the other risks to which the Company believes it is exposed. Based on expert statements from senior executives at the Company, an assessment was made of the potential impact that these risks could have on the Company's operations. Using this input, the other risks have been quantified based on their probability and consequence and have been entered into the Company's risk register. Net risks have then been aggregated to provide the Company with an idea of the capital required for the other risks. Parts of the other risks are described below.

Strategic risk

The Company has a tradition of working in a changing environment where conditions constantly vary over time. The adaptability that the Company possesses is a strength. The Company has increasingly transitioned to selling insurance valid for a period of one year, which means that changes in terms and conditions have a rapid impact that reduces the strategic risk. Policy decisions that result in changes to consumer laws and tax legislation or other regulatory requirements that apply to the Company may also pose a risk.

One of the Company's pillars involves continuously taking account of changes in external factors, for example through regular external analysis meetings regarding the factors that affect the markets in which the Company operates in order to minimise strategic risks. Insurance cycles, changes in customer behaviour and the competitive situation are considered.

Reputation risk

The Company is stable and has a good reputation. If serious rumours were to circulate about the Company, it could result in lower sales and fewer opportunities to partner with agents. The Company has a highly functional organisation for managing mass media questions and clearly defined reporting procedures for handling customer complaints.

Emerging risks

Emerging risks are defined as future, potential risks that the Company could be exposed to moving forward. The Company works continuously to identify emerging risks and, when they appear, categorises them in the following sub-categories: Market risk, Counterparty risk, Insurance risk, Operational risks and Strategic risks.

Sustainability risks

The Company has submitted a Sustainability Report for the 2021 financial year, which is the Company's first Sustainability Report as a listed company. In prior years, the Company was part of the Sustainability Report of Resurs Holding, which encompassed Resurs Bank and Solid Försäkring. Accordingly, up to the separation from Resurs Holding and the IPO on 1 December 2021, sustainability efforts were organised at Group level and, in many cases, the Sustainability Report uses the Group-wide work as a starting point.

The content of the Sustainability Report is based on the Group-wide materiality analysis implemented in 2017, which continues to guide the choices of the Company's most significant sustainability issues. The materiality analysis, which is the basis of the priorities set for the sustainability agenda, identified that the business's primary impact relates to sustainability topics concerning social and business ethics, while it has less of an impact related to environmental issues such as climate impact, energy consumption, procurement and material use. At the same time, it is the Company's responsibility to

learn more about the indirect effects of climate change that might arise in the future and thus have an impact on the business, along with the environmental impact caused by the business. During 2022, the Company will implement a new materiality analysis based on the prerequisites and the situation that the Company finds itself in after the separate listing.

Based on the Company's total risk register for other risks, the aggregated net exposure to these risks amounts to KSEK 8,257 (7,719) in the Company's own solvency assessment. This is a weighting of probability multiplied by consequence, whereby a risk owner makes an estimate and the Risk Committee validates and an assessment following the methods and models described above.

C.7 Other information

No other information.

D Valuation for solvency purposes

The following section describes the overall valuation principles followed by a table of the Company's Solvency II balance sheet as per 31 December 2021 and the carrying amounts for these items according to the financial statements. This section also provides a more detailed description of the valuation principles for the various items in assets, technical provisions and other liabilities.

The Company's assets and liabilities are valued in the Solvency II balance sheet according to the main valuation principles of the Solvency II directive below.

- Assets are valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.
- Liabilities are valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.

The valuation of assets and liabilities is based on their valuation in the Company's statutory reporting (financial statements) according to legally restricted IFRS. As necessary, assets and liabilities are revalued if the Solvency II regulations prescribe different valuation rules to these financial statements.

The Company does not apply matching and volatility adjustments.

KSEK	Financial reporting	Solvency balance sheet	Revaluation
Assets			
Goodwill	12 143	0	-12 143
Deferred acquisition costs (DAC)	204 070	0	-204 070
Other intangible assets	10 402	0	-10 402
Property, machinery and equipment for own use	1 911	1 911	0
Equities	78 788	78 788	0
Government bonds	20 914	20 914	0
Corporate bonds and subordinated debt	543 142	543 142	0
Structured products	0	0	0
Money market and bond funds	40 807	40 805	-2
Derivatives	0	0	0
Reinsurers' share of technical provisions	3 811	1 734	-2 076
Receivables, direct insurance	81 042	40 595	-40 447
Cash and bank balances	613 193	613 193	0
Other Assets and Receivables	5 663	5 663	0
Deferred tax assets	0	5 120	5 120
Assets total	1 615 885	1 351 865	-264 020
Liabilities			
Gross technical provisions	615 900	368 687	-247 213
Derivatives	660	660	0
Liabilities, direct insurance	158 712	160 057	1 345
Liabilities, reinsurance	0	0	0
Other liabilities	25 082	25 082	0
Liabilities total	800 355	554 486	-245 868
Assets minus liabilities	815 531	797 379	-18 152

D.1 Assets

Goodwill

The item of goodwill refers to the carrying amount of the acquisition on 1 April 2019 of an operation that previously distributed the Company's car warranty products. This asset is not expected to be eligible according to the Solvency II regulations.

In the financial statements, goodwill represents the difference between the cost of acquisition and the fair value of the acquired identifiable assets, assumed liabilities and contingent liabilities. Goodwill is carried at cost less accumulated amortisation. The value of goodwill is assessed regularly and amortised over its estimated useful life at any given time. In accordance with Solvency II, the Company's total goodwill of KSEK 0 thus entails a negative adjustment in relation to the financial statements.

Deferred acquisition costs (DAC)

The asset Deferred acquisition costs is not expected to be eligible according to the Solvency II regulations since we cannot report a value for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.

Direct costs that have a clear connection with the signing of insurance contracts are recognised as an asset in the financial statements. Direct costs mainly refer to fee & commission expense.

The valuation principle in the Solvency II regulations entails a negative adjustment of KSEK 204,070 for the asset item DAC, but this is offset by a corresponding change in the liability item for technical provisions.

Other intangible assets

Intangible assets refers to the value of the acquisition of the bicycle insurance operations of Falck Secure AB completed on 1 April 2015 and the value of the acquisition of a Norwegian customer register of bicycle registrations that took place on 31 January 2020. Other intangible assets are amortised over five to seven years and amortisation is recognised through profit or loss.

The Company believes that the intangible assets do not warrant the same value according to the Solvency II regulations since they are not directly transferable to a third party and thus a negative adjustment of KSEK 10,402 has been made to the value recognised in the financial statements.

Property, machinery and equipment for own use

Items of property, plant & equipment are recognised at cost less accumulated depreciation. Cost includes expenses directly attributable to the acquisition of an asset. Subsequent expenditure is added to the asset's carrying amount or recognised as a separate asset (whichever is more suitable) only when it is probable that the future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised from the balance sheet. All other types of repair and maintenance are recognised as an expense through profit or loss in the period in which they arise.

Depreciation of property, plant & equipment for the Company's own use is applied on a straight-line basis in order to allocate the cost or the revalued amount down to the residual value over the estimated useful life. Assets are depreciated over their estimated useful life of five years from the date of acquisition.

This valuation principle is considered to provide a market-based value under Solvency II and therefore no adjustment is made.

Investments

Financial instruments are measured at their fair value. Derivatives and instruments classified as financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. A financial instrument is classified on initial recognition according to the purpose for which it was acquired, but also according to the options specified in IFRS 9. Classification determines how a financial instrument is measured subsequent to initial recognition, as described below. Financial instruments in the category of assets measured at fair value through profit or loss are regularly measured at fair value, with changes in fair value recognised through profit or loss. For financial instruments measured at fair value through profit or loss, both realised and unrealised changes in value are recognised under the income statement item "Non-technical account." For the 2021 financial year, the Company has held bonds, other interest-bearing securities and shares measured at fair value through profit or loss. The measurement category of amortised cost primarily comprises subordinated loans, cash and bank balances, and receivables attributable to direct insurance and reinsurance that have fixed or fixable payments and that are not listed on an active market. Amortised cost is calculated based on the effective interest rate used at initial recognition. Accounts receivable are recognised at the amounts expected to be received, meaning after deductions for doubtful receivables.

Reinsurer's share of technical provisions

A table of the best estimate of the reinsurers' share of technical provisions using the Solvency II valuation principles is presented below.

The differences in the valuation between Solvency II and the financial statements for the reinsurer's share of technical provisions follow the same valuation principles as the provisions (gross) described in section D.2.

Reinsurer's share, KSEK	Solvency II		
Direct non-life insurance	Premium reserve	Provision for claims payments	Best estimate
Other motor vehicle insurance	0	0	0
Insurance for fire and other damage to property	1 507	1	1 508
Assistance insurance	0	226	226
Insurance for miscellaneous financial loss	0	0	0
Total Direct non-life insurance	1 507	228	1 734

Receivables, direct insurance

Receivables, direct insurance are recognised at the amounts expected to be received, meaning after deductions for doubtful receivables. The Company makes an assessment at the end of every reporting period as to whether there is objective evidence of an impairment requirement for a financial asset or a group of financial assets. Objective evidence that an impairment requirement exists includes indications that a borrower or group of borrowers has significant financial difficulties, default or delinquency in interest or principal payments or that the borrower will enter bankruptcy or other financial reorganisation. Impairment is reversed when there is verifying information that the impairment requirement no longer exists. Other financial assets are also frequently subject to testing as to whether there is objective evidence for reserves and if impairment testing indicates a loss.

In the Solvency II valuation, adjustments are made to this item since the valuation of the technical provisions includes the cash flow for the recognised premium income that has not yet fallen due for payment. The adjustments that arise from future premium payments are also included as adjustments to the Solvency II balance-sheet items Technical provisions and Liabilities, direct insurance, and thus have no effect on own funds under Solvency II.

Cash and bank balances

The fair value of bank balances is deemed to reflect the fair value and the financial statements correspond to the Solvency II regulations.

Other assets and receivables

Other assets and receivables refers to prepaid expenses and accrued income and receivables from the Swedish Tax Agency. The value was recognised at the amount that is expected to be received and the financial statements are considered to be compatible with the Solvency II regulations.

Deferred tax assets

In the financial statements, no values are recognised for this item, whereas under the Solvency II regulations the Company recognises the net effect of the deferred tax assets and deferred tax liabilities that arise in the revaluation of the balance sheet on the transition from the financial statements and the Solvency II regulations. The tax assets are not deemed to be material.

D.2 Technical provisions

The technical provisions recognised in the Solvency II balance sheet are valued at the current amount that would need to be paid in order to transfer the insurance and reinsurance undertaking to another insurance company. This value comprises the total of the best estimate and the risk margin.

The best estimate corresponds to the expected present value of future cash flows. The calculation of the best estimate is based on up-to-date and credible information and realistic assumptions. Applicable and relevant actuarial and statistical methods are used to calculate the technical provisions and the expected present value of the future cash flows. The cash-flow projection used in the calculation of the best estimate shall take account of all the cash inflows and outflows required to settle the insurance and reinsurance obligations over the lifetime thereof. The Company conducts only operations in non-life insurance with insurance contracts without the options of guaranteed renewals or bonuses.

The risk margin is part of the technical provisions to ensure that the value of these provisions corresponds to an amount that an insurance company can be expected to demand for taking over the undertakings. The risk margin is calculated to correspond to the cost of maintaining the capital that corresponds to the SCR needed to meet the commitments until they have been finally settled. This cost has been estimated using the simplified method entitled Method 3 in EIOPA's Guidelines on the valuation of technical provisions.

The gross and net best estimate according to the Solvency II valuation principles for each line of business are presented below. A table is also provided for the total net provisions recognised in the Solvency II balance sheet as per 31 December 2021 per business line.

Best estimate of gross provisions on 31 December 2021

Gross, KSEK	Solvency II		
	Premium reserve	Provision for claims payments	Best estimate
Direct non-life insurance			
Other motor vehicle insurance	66 413	8 611	75 024
Insurance for fire and other damage to property	162 980	19 374	182 354
Assistance insurance	26 447	14 297	40 744
Insurance for miscellaneous financial loss	19 656	18 422	38 078
Total Direct non-life insurance	275 497	60 703	336 200

Best estimate of net provisions on 31 December 2021

Net, KSEK	Solvency II		
	Premium reserve	Provision for claims payments	Best estimate
Direct non-life insurance			
Other motor vehicle insurance	66 413	8 611	75 024
Insurance for fire and other damage to property	161 473	19 372	180 846
Assistance insurance	26 447	14 071	40 518
Insurance for miscellaneous financial loss	19 656	18 422	38 078
Total Direct non-life insurance	273 990	60 476	334 466

Total net provisions including Risk margin on 31 December 2021

Net, KSEK	Solvency II		
	Best estimate	Risk margin	Total technical provisions
Direct non-life insurance			
Other motor vehicle insurance	75 024	3 166	78 190
Insurance for fire and other damage to property	180 846	7 726	188 572
Assistance insurance	40 518	2 299	42 817
Insurance for miscellaneous financial loss	38 078	19 296	57 374
Total Direct non-life insurance	334 466	32 487	366 953

In the financial statements, the valuation of the technical provisions differs from the valuation used for the provisions in the Solvency II balance sheet, and an explanation of these valuation differences is provided below.

For the premium reserve, provisions for unearned premiums for the financial statements are calculated individually for each separate insurance commitment using an adopted earnings pattern and remaining lifetime. For unprofitable business, an add-on is made to the expected costs that exceed the provision for unearned premiums on the basis of a provision for unexpired risks. The Company does not discount premium reserves in the financial statements.

Under Solvency II, the best estimate of the premium reserve is calculated as the present value of future net cash flows that are expected to arise on the undertaking for existing insurance contracts. Under Solvency II, the premium reserves are also adjusted for accrued premium income that has not yet fallen due for payment. In practice, the above means that the premium reserve for the financial statements is adjusted by capitalised acquisition costs (DAC, see the section above), expected future gains and future premium payments. The cash flows are also discounted since the valuation comprises the present value of future cash flows. The adjustments that arise from future premium payments are also included as adjustments to the Solvency balance-sheet items Receivables, direct insurance and Liabilities, direct insurance, and thus have no effect on own funds under Solvency II.

The provision for claims payments is calculated for the financial statements using actuarial and statistical models that provide an estimate of the future cash flows for claims incurred. In the financial statements, discounting is only permitted for classes to which the Company does not have any exposure. The Company did not include any uncertainty margin in its valuation of provisions for the provision for claims payments under the rules for the financial statements, and instead recognised the provisions as best estimates of the future cash flows. The Company does not discount provisions for claims payments in the financial statements.

In Solvency II, the best estimate of the provision for claims payments is valued as the present value of the expected net cash flows for claims that have already occurred, both known and unknown. This valuation is not different to how the provision for claims payments is valued under the financial statements, except that the cash flows under Solvency II are discounted.

A summary of the changes in the technical net provisions due to changed valuation principles between the financial statements and the valuation under Solvency II is provided below along with a description of the valuation principles used for each separate business line.

Net, KSEK	Financial reporting	Solvency II	Revaluation
	Total technical provisions	Total technical provisions	Total technical provisions
Direct non-life insurance			
Other motor vehicle insurance	130 389	78 190	-52 199
Insurance for fire and other damage to property	352 067	188 572	-163 495
Assistance insurance	48 500	42 817	-5 683
Insurance for miscellaneous financial loss	81 134	57 374	-23 760
Total Direct non-life insurance	612 090	366 953	-245 137

Other motor vehicle insurance

This business line largely comprises separate insurance that covers repairs of car glass and are all within the same homogeneous reserve class.

The difference of KSEK 52,199 in the valuation between the financial statements and Solvency II arises on the basis of KSEK 3,166 in risk margin and KSEK -55,365 devaluation of the best estimate. The majority of the devaluation of the best estimate is related to the premium reserve, while only a small portion derives from discounting of the provision for claims payments.

Insurance for fire and other damage to property

This business line comprises several different homogeneous reserve classes of which the largest by far is product insurance.

The difference of KSEK 163,495 in the valuation between the financial statements and Solvency II arises on the basis of KSEK 7,726 in risk margin and KSEK -171,221 devaluation of the best estimate. The majority of the devaluation of the best estimate is related to the revaluation of the premium reserve for which only a small portion derives from discounting.

Assistance insurance

This business line comprises the two homogeneous reserve classes of travel insurance and roadside assistance insurance.

The difference of KSEK 5,683 in the valuation between the financial statements and Solvency II arises on the basis of KSEK 2,299 in risk margin and KSEK -7,982 devaluation of the best estimate. The majority of the devaluation of the best estimate is related to the revaluation of the premium reserve for which only a small portion derives from discounting.

Insurance for miscellaneous financial loss

This business line comprises insurance in the Personal Safety segment for which temporary and time-limited financial compensation is provided in the event of a loss of income due to termination of employment or sick leave. This business line comprises two homogeneous reserve classes.

The difference of KSEK 23,760 in the valuation between the financial statements and Solvency II arises on the basis of KSEK 19,296 in risk margin and KSEK -43,056 devaluation of the best estimate. The majority of the devaluation of the best estimate is related to the revaluation of the premium reserve for which only a small portion derives from discounting.

D.3 Other liabilities

Liabilities are current obligations arising from past events, the settlement of which is expected to result in an outflow of resources from the Company. A liability is capitalised when it is probable that an outflow of resources from the Company will result from the settlement of a current obligation and the amount at which the settlement will take place can be measured reliably.

Derivatives

Derivatives are regularly measured at fair value, with changes in fair value recognised through profit or loss. The valuation is provided by external suppliers and checked by the Company following an internally established process. The amount is KSEK 660.

Derivatives are measured at fair value excluding transaction costs. Transaction costs are the costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

No revaluation takes place between the financial statements and Solvency II.

Liabilities, direct insurance

Liabilities attributable to direct insurance are measured in the financial statements at amortised cost and accrued interest expense is continuously allocated according to the effective interest method. In the Solvency II valuation, adjustments are made to this item since the valuation of the technical provisions includes the cash flow for the recognised premium income that has not yet fallen due for payment. The adjustments that arise from future premium payments are also included as adjustments to the Solvency II balance-sheet items Technical provisions and Receivables, direct insurance, and thus have no effect on own funds under Solvency II.

Liabilities, reinsurance

Liabilities, reinsurance are measured, where applicable, at amortised cost and accrued interest expense is continuously allocated according to the effective interest method. The amount is SEK 0.

No revaluation takes place between the financial statements and Solvency II.

Other liabilities

This item comprises accrued expenses and deferred income Other liabilities are measured at fair value.

No revaluation takes place between the financial statements and Solvency II.

D.4 Alternative valuation methods

The Company does not use any alternative valuation methods.

D.5 Other information

No other information.

E Financing

E.1 Own funds

The following section describes the build-up of Solvency II own funds and the bridge from equity according to the financial statements. The section also describes the structure and quality of the Solvency II own funds.

The table below describes the build-up of Solvency II own funds and the bridge from equity according to the financial statements.

Bridge from equity financial statements to own funds Solvency II on 31 December 2021

KSEK	Bridge Equity to Own Funds
Equity Financial reporting	327 413
Untaxed reserves	488 118
Equity and untaxed reserves	815 531
<u>Revaluations:</u>	
Goodwill	-12 143
Other intangible assets	-10 402
Deferred acquisition costs (DAC)	-204 070
Deferred tax assets, net	5 120
Net technical provisions	245 137
Receivables and liabilities for direct insurance	-41 791
Money market and bond funds	-2
Solvency II own funds	797 379

Own funds according to Solvency II comprise equity according to the financial statements, untaxed reserves (contingency reserve) och revaluations of the Solvency II balance sheet in the financial statements.

Structure and quality of the Solvency II own funds

The table below shows the items that are included in the Solvency II own funds and their distribution between Tiers 1–3. The classification of these items depends on whether they are Tier 1 capital or ancillary own funds and the extent to which they meet the prescribed characteristics in the form of permanent availability, subordination and sufficient duration. Except for the item deferred tax assets, net, which is classified as Tier 3 capital, the Company's entire own funds have been deemed to meet the requirements for unrestricted Tier 1 capital.

Change in own funds

No own-fund items were issued during the reporting period.

Eligible own funds

KSEK	Total	Tier 1 Unrestricted	Tier 1 Restricted	Tier 2	Tier 3
Share capital	30 000	30 000	0	0	0
Surplus funds	0	0	0	0	0
Other approved balance-sheet items	0	0	0	0	0
Reconciliation reserve	762 259	762 259	0	0	0
Deferred tax assets, net	5 120	0	0	0	5 120
Total Tier 1 capital	797 379	792 259	0	0	5 120
Ancillary own funds	0	0	0	0	0
Total Own funds	797 379	792 259	0	0	5 120

KSEK	Total	Tier 1 Unrestricted	Tier 1 Restricted	Tier 2	Tier 3
Total available capital to meet SCR	797 379	792 259	0	0	5 120
Total available capital to meet MCR	792 259	792 259	0	0	0
Total eligible own funds to meet SCR	797 379	792 259	0	0	5 120
Total eligible own funds to meet MCR	792 259	792 259	0	0	0
SCR ratio for eligible own funds	172,7%				
MCR ratio for eligible own funds	606,6%				

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Solvency Capital Requirement

KSEK	Build-up of SCR
Market risk	74 682
Counterparty risk	41 350
Insurance risk	383 621
Intangible assets risk	0
Diversification	-68 163
Basic Solvency Capital Requirement (BSCR)	431 491
Operational risk	30 264
Solvency Capital Requirement (SCR)	461 754

The Solvency Capital Requirement (SCR) has been calculated in accordance with EIOPA's standard formula. Since the operations conducted are non-life insurance activities, the Company is exposed to insurance risk for non-life insurance, market risks, counterparty risks and operational risks.

SCR and the Company's eligible own funds result in an SCR ratio of 172.7 per cent.

The Company does not use any simplified methods or undertaking-specific parameters.

Minimum Capital Requirement

KSEK	Calculation of MCR
Linear MCR	130 604
MCR ceiling (SCR x 0.45)	207 789
MCR floor (SCR x 0.25)	115 439
Combined MCR	130 604
MCR threshold value	24 842
Minimum Capital Requirement (MCR)	130 604

Linear MCR is calculated separately for non-life and life insurance and is then added together to obtain the total linear MCR. Since the Company only underwrites non-life insurance, only this portion contributes to linear MCR. It is calculated based on set parameters, best estimate of net FTA and net premium income for the various business lines. Combined MCR is calculated by first taking the largest of linear MCR and the MCR floor and then subtracting the smaller of this value and the MCR ceiling. The Company's MCR is above the MCR threshold value and between the values of 25 per cent and 45 per cent of SCR.

MCR and the Company's eligible own funds result in an MCR ratio of 606.6 per cent.

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

The Company does not use the duration-based equity risk sub-module in the calculation of the SCR.

E.4 Difference between the standard formula and internal models used

The Company does not use any internal models.

E.5 Breaches of MCR and SCR

The Company has no breaches of the MCR or the SCR.

E.6 Other information

No other information.

Forms

S.02.01.02

S.02.01.02 Balance sheet

Tillgångar		Solvency II value
		C0010
Intangible assets	R0030	0
Deferred tax assets	R0040	5 120
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	1 911
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	683 650
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	78 788
Equities - listed	R0110	78 788
Equities - unlisted	R0120	0
Bonds	R0130	564 056
Government Bonds	R0140	20 914
Corporate Bonds	R0150	543 142
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	40 805
Derivatives	R0190	0
Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	0
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	1 734
Non-life and health similar to non-life	R0280	1 734
Non-life excluding health	R0290	1 734
Health similar to non-life	R0300	0
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	0
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	40 595
Reinsurance receivables	R0370	0
Receivables (trade, not insurance)	R0380	0
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	613 193
Any other assets, not elsewhere shown	R0420	5 663
Total assets	R0500	1 351 865

S.02.01.02 continued

		C0010
Technical provisions - non-life	R0510	368 687
Technical provisions - non-life (excluding health)	R0520	368 687
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	336 200
Risk margin	R0550	32 487
Technical provisions - health (similar to non-life)	R0560	0
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	0
Risk margin	R0590	0
Technical provisions - life (excluding index-linked and unit-linked)	R0600	0
Technical provisions - health (similar to life)	R0610	0
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	0
Risk margin	R0640	0
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	0
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	0
Risk margin	R0680	0
Technical provisions - index-linked and unit-linked	R0690	0
Technical provisions calculated as a whole	R0700	0
Best Estimate	R0710	0
Risk margin	R0720	0
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	0
Derivatives	R0790	660
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	160 057
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	0
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Any other liabilities, not elsewhere shown	R0880	25 082
Total liabilities	R0900	554 486
Excess of assets over liabilities	R1000	797 379

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 C0010	Income protection insurance C0020	Workers' compensation insurance C0030	Motor vehicle liability insurance C0040	Other motor insurance C0050	Marine, aviation and transport insurance C0060	Fire and other damage to property insurance C0070	General liability insurance C0080	Credit and suretyship insurance C0090
Premiums written										
Gross - Direct Business	R0110					138 359		364 378		
Gross - Proportional reinsurance accepted	R0120					0		0		
Gross - Non-proportional reinsurance accepted	R0130					0		0		
Reinsurers' share	R0140					0		20 197		
Net	R0200					138 359		344 181		
Premiums earned										
Gross - Direct Business	R0210					126 719		369 863		
Gross - Proportional reinsurance accepted	R0220					0		0		
Gross - Non-proportional reinsurance accepted	R0230					0		0		
Reinsurers' share	R0240					0		20 065		
Net	R0300					126 719		349 798		
Claims incurred										
Gross - Direct Business	R0310					31 588		102 196		
Gross - Proportional reinsurance accepted	R0320					0		0		
Gross - Non-proportional reinsurance accepted	R0330					0		0		
Reinsurers' share	R0340					0		6 326		
Net	R0400					31 588		95 870		
Changes in other technical provisions										
Gross - Direct Business	R0410					0		0		
Gross - Proportional reinsurance accepted	R0420					0		0		
Gross - Non- proportional reinsurance accepted	R0430					0		0		
Reinsurers' share	R0440					0		0		
Net	R0500					0		0		
Expenses incurred										
Other expenses	R0550					67 236		188 578		
R1 200	R1 200									
Total expenses	R1 300									

S.05.01.02 continued

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)				Line of Business for: accepted non-proportional reinsurance				Total
Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property		
C0100	C0110	C0120	C0130	C0140	C0150	C0160		
Premiums written								
R0110		141 485	369 219					1 013 421
Gross - Direct Business								
R0120		0	0					0
Gross - Proportional reinsurance accepted								
R0130		0	0					0
Gross - Non-proportional reinsurance accepted								
R0140		7 408	0					27 605
Reinsurers' share								
R0200		134 057	369 219					985 815
Net								
Premiums earned								
R0210		138 176	374 029					1 008 787
Gross - Direct Business								
R0220		0	0					0
Gross - Proportional reinsurance accepted								
R0230		0	0					0
Gross - Non-proportional reinsurance accepted								
R0240		7 432	0					27 496
Reinsurers' share								
R0300		130 744	374 029					981 291
Net								
Claims incurred								
R0310		43 693	36 523					214 000
Gross - Direct Business								
R0320		0	0					0
Gross - Proportional reinsurance accepted								
R0330		0	0					0
Gross - Non-proportional reinsurance accepted								
R0340		-10	0					6 316
Reinsurers' share								
R0400		43 703	36 523					207 684
Net								
Changes in other technical provisions								
R0410		0	0					0
Gross - Direct Business								
R0420		0	0					0
Gross - Proportional reinsurance accepted								
R0430		0	0					0
Gross - Non-proportional reinsurance accepted								
R0440		0	0					0
Reinsurers' share								
R0500		0	0					0
Net								
Expenses incurred		53 742	238 193					547 749
R0550								120 522
Other expenses								
R1200								668 271
Total expenses								
R1300								

S.05.02.01 continued

S.05.02.01
Premiums, claims and
expenses by country

	Home Country		Top 5 countries (by amount of gross premiums written) - non-life obligations						Total Top 5 and home country	
	C0010	C0080	C0020 DK	C0030 FI	C0040 NO	C0050 CH	C0060 FR	C0070	C0130	C0140
R0010										
C0080										
Premiums written										
Gross - Direct Business	646 603		69 978	48 670	170 667	18 296	15 159			969 373
Gross - Proportional reinsurance accepted	0		0	0	0	0	0			0
Gross - Non-proportional reinsurance accepted	0		0	0	0	0	0			0
Reinsurers' share	20 314		49	0	20	6 964	44			27 392
Net	626 289		69 929	48 670	170 647	11 332	15 115			941 981
Premiums earned										
Gross - Direct Business	635 635		60 025	55 542	175 525	25 599	14 617			966 944
Gross - Proportional reinsurance accepted	0		0	0	0	0	0			0
Gross - Non-proportional reinsurance accepted	0		0	0	0	0	0			0
Reinsurers' share	20 182		49	0	20	6 987	44			27 283
Net	615 453		59 976	55 542	175 505	18 612	14 573			939 662
Claims incurred										
Gross - Direct Business	137 607		6 658	11 549	36 541	8 577	3 488			204 420
Gross - Proportional reinsurance accepted	0		0	0	0	0	0			0
Gross - Non-proportional reinsurance accepted	0		0	0	0	0	0			0
Reinsurers' share	6 326		0	0	0	-10	0			6 316
Net	131 281		6 658	11 549	36 541	8 587	3 488			198 104
Changes in other technical provisions										
Gross - Direct Business	0		0	0	0	0	0			0
Gross - Proportional reinsurance accepted	0		0	0	0	0	0			0
Gross - Non-proportional reinsurance accepted	0		0	0	0	0	0			0
Reinsurers' share	0		0	0	0	0	0			0
Net	0		0	0	0	0	0			0
Expenses incurred										
Other expenses	321 027		37 877	34 537	110 545	8 694	9 079			521 758
Total expenses										118 829
										640 587

S.17.01.02

S.17.01.02
Non-life Technical Provisions

Non-life Technical Provisions									
	Direct business and accepted proportional reinsurance								
	Medical expense insurance C0020	Income protection insurance C0030	Workers' compensation insurance C0040	Motor vehicle liability insurance C0050	Other motor insurance C0060	Marine, aviation and transport insurance C0070	Fire and other damage to property insurance C0080	General liability insurance C0090	Credit and suretyship insurance C0100
R0010					0		0		
R0050					0		0		

S.17.01.02 continued

	Direct business and accepted proportional reinsurance			Accepted non-proportional reinsurance				Total Non-Life obligation
	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole								
Total Recoverables from reinsurers/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0010	0	0	0				0
Technical provisions calculated as a sum of BE and RM	R0050	0	0	0				0
Best estimate								
Premium provisions								
Gross	R0060	26 447	13 656					275 487
Total recoverable from reinsurers/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	0				1 507
Net Best Estimate of Premium Provisions	R0150	26 447	13 656					273 990
Claims provisions								
Gross	R0160	14 297	18 422					60 703
Total recoverable from reinsurers/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	226	0	0				228
Net Best Estimate of Claims Provisions	R0250	14 071	18 422					60 476
Total Best estimate - gross	R0260	40 744	38 078					336 200
Total Best estimate - net	R0270	40 518	38 078					334 466
Risk margin	R0280	2 299	19 296					32 487
Amount of the transitional on Technical Provisions								
Technical Provisions calculated as a whole	R0290	0	0	0				0
Best estimate	R0300	0	0	0				0
Risk margin	R0310	0	0	0				0
Technical provisions - total	R0320	43 043	57 374					365 687
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	226	0					1 734
Technical provisions minus recoverables from reinsurers/SPV and Finite Re - total	R0340	42 817	57 374					365 953

S:19.01.21

Non-life Insurance Claims Information

Total Non-life Insurance

Accident year / Underwriting year	Z0010	1
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Gross Claims Paid (non-cumulative)

(absolute amount)

Year	0	1	2	3	4	5	6	7	8	9	10 & +
Prior	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
N-9											
N-8											
N-7											
N-6											
N-5											
N-4											
N-3											
N-2											
N-1											
N											

R0100	331 834	52 015	2 039	1 206	1 388	150	132	1	0	2	11
R0160	367 357	57 550	329	920	1 255	116	3	154	36		
R0170	367 128	67 529	5 903	-73	365	19	0	77			
R0180	358 721	76 285	4 337	622	983	324	-28				
R0190	311 715	36 448	1 855	1 404	41	496					
R0200	220 447	16 759	1 234	711	-4						
R0210	184 323	19 853	1 024	166							
R0220	177 177	17 963	1 217								
R0240	184 530	18 544									
R0250	191 355										
Total											

Sum of years (cumulative)	C0180										
	64 935										
	388 766										
	427 720										
	440 948										
	441 244										
	351 958										
	239 147										
	205 367										
	196 357										
	203 074										
	191 355										
	3 150 930										

Gross undiscounted Best Estimate

Claims Provisions

(absolute amount)

Year	0	1	2	3	4	5	6	7	8	9	10 & +
Prior	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
N-9											
N-8											
N-7											
N-6											
N-5											
N-4											
N-3											
N-2											
N-1											
N											

R0100	0	0	0	0	0	0	0	0	0	0	0
R0160	0	0	0	26	26	0	0	0	0	0	0
R0170	0	0	0	26	4	5	0	0	0	0	0
R0180	0	0	477	882	1 283	951	971	0	0	0	0
R0190	44 915	8 105	-1 666	152	709	609					
R0200	25 700	4 524	3 325	2 837	-443						
R0210	33 016	6 072	2 802	731							
R0220	34 666	11 610	8 118								
R0240	38 608	13 666									
R0250	37 143										
Total											

Year end (discounted data)	C0340										
R0100	0										
R0160	0										
R0170	0										
R0180	0										
R0190	974										
R0200	601										
R0210	-441										
R0220	726										
R0240	8 101										
R0250	13 645										
R0260	37 098										
R0270	60 703										

S.23.01.01

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	30 000	30 000			
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					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	762 259	762 259			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160	5 120				5 120
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	797 379	792 259			5 120
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	797 379	792 259			5 120
Total available own funds to meet the MCR	R0510	792 259	792 259			
Total eligible own funds to meet the SCR	R0540	797 379	792 259			5 120
Total eligible own funds to meet the MCR	R0550	792 259	792 259			
SCR	R0580	461 754				
MCR	R0600	130 604				
Ratio of Eligible own funds to SCR	R0620	172,7%				
Ratio of Eligible own funds to MCR	R0640	606,6%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	797 379
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	35 120
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	762 259
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	9 950
Total Expected profits included in future premiums (EPIFP)	R0790	9 950

S.25.01.21

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	Undertaking specific parameters	Simplifications
		C0110	C0090	C0100
Market risk	R0010	74 682		
Counterparty default risk	R0020	41 350		
Life underwriting risk	R0030	0		
Health underwriting risk	R0040	0		
Non-life underwriting risk	R0050	383 621		
Diversification	R0060	-68 163		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	431 491		
Calculation of Solvency Capital Requirement		C0100		
Operational risk	R0130	30 264		
Loss-absorbing capacity of technical provisions	R0140	0		
Loss-absorbing capacity of deferred taxes	R0150	0		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0		
Solvency Capital Requirement excluding capital add-on	R0200	461 754		
Capital add-on already set	R0210	0		
Solvency capital requirement	R0220	461 754		
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			

