Allianz Partners

AWP Health & Life SA

Solvency & Financial Condition Report

2022

Document Summary

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1	04/04/2023	AWP H&L Board of Directors

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TABLE OF ABBREVIATIONS AND ACRONYMS

Abreviations & Acronyms	Nom complet
ACPR	Autorité de Contrôle Prudentiel et de Résolution
AES	Allianz Engagement Survey
AMSB	Administrative, Management or Supervisory Body
AP/ AzP/ AzP SAS	Allianz Partner S.A.S
AWP H&L	AWP Health & Life S.A.
AzP CA	Allianz Partners Corporate Actuarial
COSO	Committee of Sponsoring Organisations
CRisP	Allianz – Credit Risk Process
CRO	Chief Risk Officer
EIOPA	European Insurance and Occupational Pensions Authority
ELCA	Entity Level Control Assessment
FGAAP	French Generally Accepted Accounting Practices
FiCo	Finance Committee
IFRS	International Financial Reporting Standards
IGO	Inter Governmental Organisation
IMIX	Internet Mix
IRCS	Internal Risk and Control System
ITGC	Information Technology General Control
KFH	Key Function Holder
LoB	Line of Business
MCR	Minimum Capital Requirement
MTB	Mid-Term Bonus
MVBS	Market Value Balance Sheet
NGO	Non-governmental organizations
RCA	Risk and Control Assessment
RSUs	Restricted Stock Units
SAA	Strategic Asset Allocation
SCR	Solvency Capital Requirement
SII	Solvency II
SME	Small – Medium Enterprise
TPA	Third Party Administrator
TRA	Top Risk Assessment
USP	Undertaking Specific Parameters

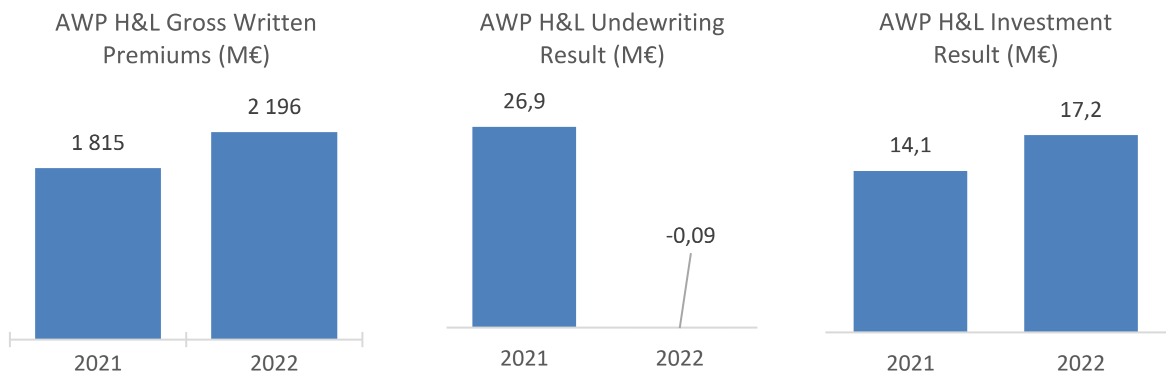
EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

BUSINESS & PERFORMANCE

AWP Health & Life SA ("AWP H&L"), an authorized insurer headquartered and regulated in France, is a wholly owned subsidiary of the Allianz Partners SAS ("Allianz Partners", "AzP") Sub-group which is governed and managed as One Allianz Partners and regulated as such by the ACPR. AWP H&L is the licensed insurance entity for AzP's International health line of business and TPA services are provided by some service companies internal to Allianz Partners.

In 2022, AWP H&L Gross Written Premiums stands at 2.2 billion euros or 21% compared to 2021. A detailed explanation of the key metrics is covered in section 1 of the report.



SYSTEM OF GOVERNANCE

As a subsidiary of Allianz Partners ("AzP", "the Sub-group"), AWP Health & Life SA ("AWP H&L") leverages the Sub-group's robust Governance Framework. AWP H&L therefore benefits from an efficient organisation and expertise in the management of the risks inherent to its international health, death and disability business.

The System of Governance section of this report describes how the Key Functions (Actuarial, Risk Management, Compliance and Audit) are organised within AzP and AWP H&L, the mechanism implemented to ensure their independence and the robust and efficient risk culture embedded within the organization.

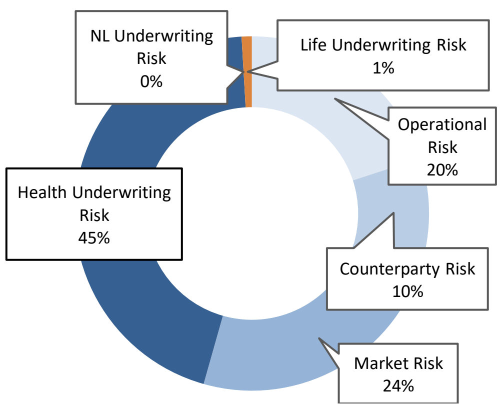
Changes in the System of governance in 2022 are detailed in Subsection 2.1.3. of this report.

At the time of compiling this report there was one change in the system of governance since 1st January 2023 – resignation of Julia Unkel (CFO) and appointment of Damien Ladous in her place.

RISK PROFILE

Allianz Partners risk profile is integrated into a coherent system of risk management with risk appetite and limits monitoring, consistent with its activity and strategic direction. AWP H&L's main risk exposure lies in the health underwriting risk generated by its health and life insurance business.

As at December 31st 2022, the SCR of AWP H&L is € 314MN (vs. € 304MN in 2021).



Allocation of Risk Capital – 31 December 2022

VALUATION FOR SOLVENCY PURPOSE

The categories of assets and liabilities that compose the Solvency II balance sheet have been valued in accordance with regulatory requirements, i.e. their market value or their fair value.

Section 4 of this reports explains at a line item level the valuation differences between French Generally Accepted Accounting Practices (FGAAP) and Solvency II basis.

Changes in the recognition and valuation bases used or on estimations during the reporting period are detailed in the correspondent subsection.

MVBS Balance Sheet (in Mn€) 31/12/2021 & 31/12/2022

	31/12/2021	31/12/2022
Assets	1,629	1,932
Liabilities	1,215	1,575
Excess of assets over liabilities	414	357

SOLVENCY & CAPITAL MANAGEMENT

AWP H&L capital management policy is consistent with the one defined by Allianz Partners Sub-Group. It ensures its financial security, which is an essential basis for the viability of its activity over the long term, by ensuring in particular the availability of sufficient and quality own funds, eligible for the absorption of losses in case of an exceptional event.

As of 31 December 2022, AWP H&L Own funds are mostly composed of Tier 1 own funds.

In 2022 AWP H&L continuously complied with its solvency capital regulatory requirements.

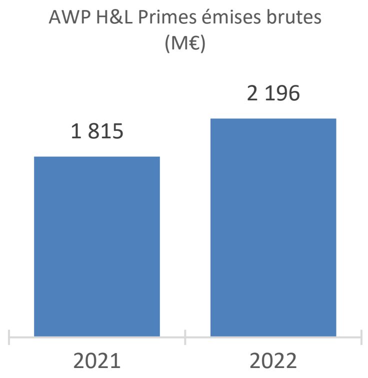
In € MN	2021	2022	Variation
Eligible Own Funds for SCR (1)	414	357	-57
SCR (2)	304	314	+10
SCR Solvency Ratio = (1)/(2)	136%	114%	-22%p

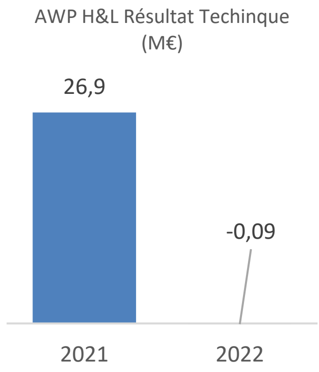
SYNTHESE

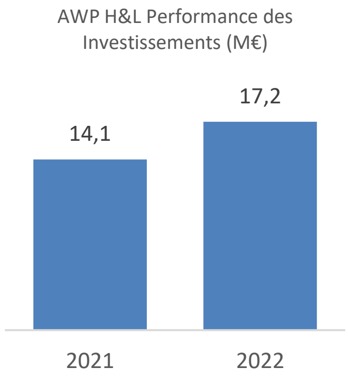
ACTIVITE ET RESULTATS

AWP Health & Life SA (« AWP H&L »), assureur agréé dont le siège social est en France, est une filiale à 100% du sous-groupe Allianz Partners SAS (« Allianz Partners », « AzP »), lequel est régi et administré comme *One Allianz Partners* et réglementée en tant que tel par l'ACPR. AWP H&L est l'entité d'assurance agréée dédiée à l'activité Santé internationale d'AzP, et dont les services d'administrateurs tiers sont fournis par certaines sociétés de services internes à Allianz Partners.

Les primes émises brutes d'AWP H&L s'élèvent à € 2,196MN, soit 21% par rapport à 2021. Une explication détaillée des indicateurs clés se trouve dans la section 1 du rapport.







SYSTEME DE GOUVERNANCE

En tant que filiale d'Allianz Partners S.A.S (Allianz Partners), AWP H&L s'appuie sur le cadre solide de gouvernance du sous-groupe. AWP H&L bénéficie donc d'une organisation efficace et d'une expertise efficientes dans la gestion des risques inhérents aux~~à~~ ~~l'~~activités ~~d'assistance.~~ santé, décès et invalidité.

La section système de gouvernance de ce rapport décrit la manière dont les fonctions clés (Actuarielle, Gestion des risques, Conformité et Audit) sont organisées au sein d'Allianz Partners et d'AWP H&L, ainsi que le mécanisme en place afin de garantir leur indépendance et la culture de risque robuste et efficiente intégrée au sein de l'organisation.

Les changements dans le système de gouvernance en 2022 sont détaillés dans la sous-section 2.1.3 du rapport.

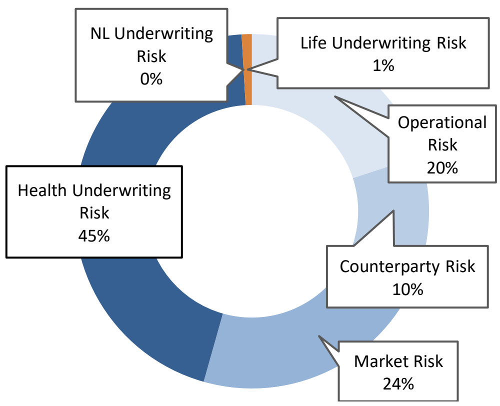
Au moment de la rédaction de ce rapport, un changement est intervenu dans le système de gouvernance depuis le 1er janvier 2023 : la démission de Julia Unkel (CFO) et la nomination de Damien Ladous à sa place.

PROFIL DE RISQUE

Le profil de risque d'AWP H&L s'insère dans un dispositif cohérent de gestion de risque, intégrant une définition de son appétence au risque et le monitoring des limites en adéquation avec son activité et sa stratégie de développement.

Le principal risque auquel est AWP H&L exposée est le risque de souscription généré par ses activités de l'assurance santé et vie.

Au 31 décembre 2022, le SCR d'AWP H&L est de 314 millions d'euros (vs 304 millions d'euros en 2021).



Allocation of Risk Capital – 31 December 2022

EVALUATION AU TITRE DE SOLVABILITE II

Les catégories d'actifs et de passifs qui composent le bilan prudentiel ont été valorisées conformément aux exigences règlementaires, c'est-à-dire, à leur valeur de marché ou à leur juste valeur.

La section 4 de ce rapport explique les différences d' évaluation entre le French GAAP (FGAAP) et Solvabilité II.

Les changements dans les bases de comptabilisation et de valorisation utilisées ou des estimations au cours de la période de reporting seront détaillés dans la sous-section correspondante concernée.

Comparaison des données MVBS (En millions €) 31/12/2021 & 31/12/2022

	31/12/2021	31/12/2022
Actifs	1,629	1,932
Passifs	1,215	1,575
Excédent d'actif sur passif	414	357

GESTION DU CAPITAL

La politique de gestion du capital d'AWP H&L s'inscrit dans celle définie par le Sous-Groupe Allianz Partners ; elle permet d'assoir sa solidité financière, base essentielle de la viabilité de son activité sur le long terme, en assurant notamment une disponibilité suffisante d'éléments de fonds propres de qualité, éligibles à l'absorption des pertes en cas de survenance d'un évènement exceptionnel.

Au 31 décembre 2022, AWP H&L dispose exclusivement de fonds propres de Tiers 1 non-restreints.

En 2022, AWP H&L s'est conformé de manière continue aux exigences règlementaires de solvabilité

En millions d'euros	2021	2022	Variation
Fonds propres éligibles (1)	414	357	-57
SCR (2)	304	314	+10
Ratio de solvabilité SCR = (1)/(2)	136%	114%	-22%p

BUSINESS & PERFORMANCE

BUSINESS & PERFORMANCE

1.1 Business

1.1.1 UNDERTAKING'S INFORMATION AND SUPERVISORY AUTHORITY

AWP Health & Life SA ("AWP H&L") (formally Allianz Worldwide Care SA) was authorised by the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"), the French Prudential Supervisory Authority on 18th December 2013 as a life and health insurance company to write business under class 1 (accident), class 2 (sickness) and class 20 (life insurance) business. It was formed as part of a wider strategic initiative within Allianz Group to bring all international business to business to consumer ("B2B2C") under one group, now called Allianz Partners ("AzP").

AWP H&L has continued to trade as Allianz Worldwide Care in 2017 until a change of trademark in October 2017. The trademark now used is Allianz Care.

Upon establishment in 2014, AWP H&L's business combined: the international health business of the former Irish company Allianz Worldwide Care Limited ("AWC Limited") and the international health, death and disability portfolios from two Allianz France entities, Allianz IARD and Allianz VIE.

This restructuring expanded AWP H&L's market position as the preferred insurance provider for its customers and it helped the company to be the number one player in the international private medical insurance marketplace.

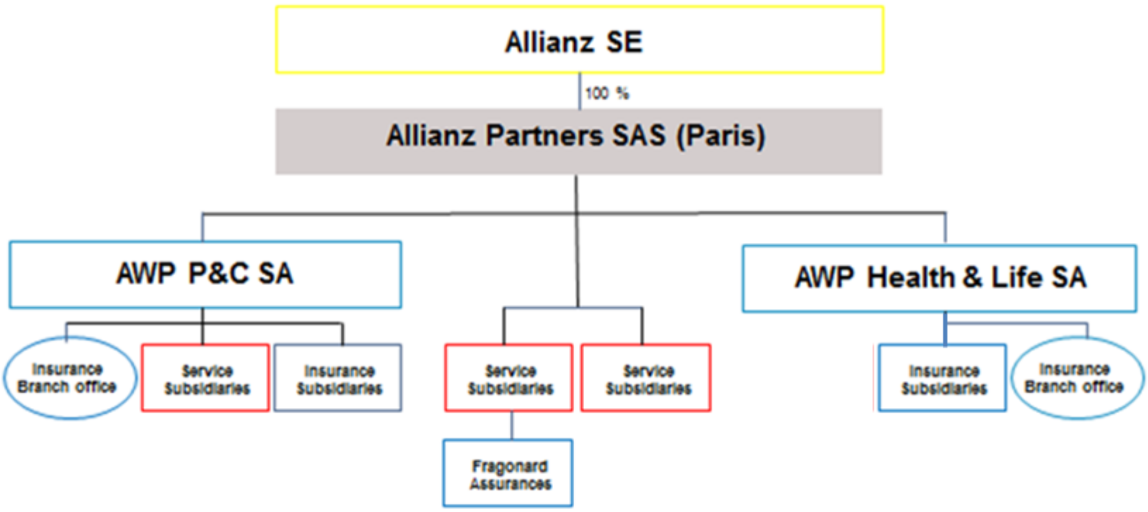
The company has a branch in Dublin (former AWC Limited), a branch in Qatar, regulated by the Qatar Financial Centre Regulatory Authority (QFCRA) and a branch in Canada regulated by the Office of the Superintendent of Financial Institutions (OSFI).

1.1.2 SIGNIFICANT SHAREHOLDERS

The main shareholder of AWP H&L is Allianz Partners SAS, holding 99,99% of the share capital of the company. The ultimate shareholder is Allianz SE.

1.1.3 DETAILS OF THE UNDERTAKING'S POSITION IN THE GROUP STRUCTURE

AWP Health & Life SA ("AWP H&L"), an authorized insurer headquartered and regulated in France, is a wholly owned subsidiary of the Allianz Partners SAS ("Allianz Partners", "AzP") Sub-group which is governed and managed as One Allianz Partners and regulated as such by the ACPR. Allianz Partners is a Sub-group of the Allianz Group, headquartered in Germany.



The company has a branch in Dublin, a branch in Canada and a branch in Qatar, regulated by the Qatar Financial Centre Regulatory Authority (QFCRA).

1.1.4 BUSINESS ENVIRONMENT

AWP Health & Life SA ("AWP H&L"), an authorized insurer headquartered and regulated in France, is a wholly owned subsidiary of the Allianz Partners SAS ("Allianz Partners", "AzP") Sub-group which is governed and managed as One Allianz Partners and regulated as such by the ACPR. AWP H&L is the licensed insurance entity for AzP's International health line of business and TPA services are provided by service companies internal to Allianz Partners.

The products are in the main comprehensive insurance solutions which effectively replace the healthcare system for the end customer in multiple countries and healthcare systems. In 2022 the international health business includes:

- International Private Health Insurance (IPMI) (63% of revenues). This is all in AWP H&L and includes:
  - Large Expatriate Corporate plans which are experience rated (19% of revenues)
  - SME and Individual book rated schemes (7% of revenues)
  - IGO, NGO and Government clients providing scale in certain geographies - 17% of revenue
  - Partnerships with MGUs that provide access to certain markets or niche segments - 19% of revenue
- International Student Business in Australia, which represents (7%) of the revenue. This is included in AWP H&L
- Nextcare business (31% of revenues), including:
  - Re-insurance portfolio primarily MEA - for more localized risk - profitable where the TPA has strong market presence (i.e.: Dubai Health Authority) - 26% of revenue. This portfolio is included in AWP H&L.
  - Internal TPA capability. Nextcare TPA business is a market leading cornerstone of International health and provides the ability to branch into reinsurance where the TPA is dominant and the Dublin platform offers global TPA services for certain clients and other insurers - 3% revenue
  - Health Services – Medi24 and AWC – delivering modern health services solutions such as telehealth – 2% of revenue

1.2 Underwriting performance

The underwriting of new business, as well as renewal of existing contracts, always goes through comprehensive analysis of the characteristics of the product in terms of: population, coverage and frequency. This analysis is done with dedicated statistical tools, specifically dedicated to the international health business.

Furthermore, the underwriting department with the support of legal and compliance departments of AWP H&L ensure contracts are compliant with local regulatory and legal requirements.

AWP H&L Gross Written Premiums stands at 2.2 billion euros or 21% compared to 2021 Growth is driven by new business development and good retention at H&L, border reopening for overseas visitors/international students as well as acquisition of Aetna International Private Medical Insurance piece of business and positive FX.

The NEP increased by € 66M (7%) 2022 driven by a combination of factors including new business, solid rate increases on renewals as well as the acquisition of Aetna International Private Medical Insurance piece of business.

Gross Written Premium and Net Earned Premiums

in m€	2022	2021	Var.	%
Gross Written Premiums before Reinsurance	2,196	1,815	381	21%
Gross Written Premiums after Reinsurance	1,071	911	160	18%
Net Earned Premiums after Reinsurance	997	930	66	7%

The underwriting result for AWP H&L, has decreased by ~~49~~100%, compared to 2021~~year on year~~. This was driven by the onboarding/upfront costs of the Aetna International Private Medical Insurance piece of business together with overall business mix.

Underwriting Result

in m€	2022	2021	Var.	%
Underwriting Result	-0.091	26.921	-27	-100%

1.3 Investment performance

1.3.1 OVERVIEW OF INVESTMENT PERFORMANCE

When managing its total assets, AWP H&L differentiates between assets directly related to its commercial activities such as working capital, operational cash, or real estate and participations, on one side, and assets with financial interest on the other. The latter constitutes the scope for the Strategic Asset Allocation (SAA). AWP H&L's financial assets mainly consist of bonds, following a liability driven investment style. AWP H&L follows defined investment processes and governance.

The table below provides an overview of the asset allocation within the investment portfolio.

Total investments

	Dec-22	Dec-21	Dec-22				
	Clean market value (€ MN)		AAA	AA	A	BBB	Below Investment grade or not rated
Real estate - Allianz use	6.3	7.2					
Fixed income:	933.6	995.8	37%	21%	21%	19%	3%
Treasury & Government Related	314.7	318.0	11%	13%	4%	3%	2%
Securitized	287.7	258.8	25%	5%	0%	0%	0%
Corporates	320.3	412.7	0%	3%	15%	16%	0%
Cash	10.8	6.4	0%	0%	1%	0%	0%
Total investments in SAA	**939.9**	**1,003.0**					
Operating cash	50.6	69.1					
Other assets out of SAA	83.8	8.9					
Total investments and cash	**1,074.3**	**1,080.9**					

Changes in the asset allocation or strategy take place only in small steps, unless when major corporate transactions such as capital up- or down-streams require a substantial change. Movements of the capital markets and corporate actions can also result in changes of allocation and asset mix. In 2022, the volume of assets in SAA decreased compared to 2021 following a model change whereby loans internal to the AZ group were taken out of SAA. The relative allocation by asset classes was geared towards more Securitized and less Corporates.

The most important source for variance in the investment result comes from the impact of capital market developments and the performance of the respective asset classes.

Investment income

€MN	31/12/2022	31/12/2021
01. Interest and similar Income	15.9	13.2
02. Interest expenses	-1.6	-3.0
03. Realized gains, losses (net)	-6.5	0.0
04. Impairments of Investments (Net)	0.0	0.0
05. Investment expenses	-0.8	-0.9
06. Inc. fr. fin. assets and liab. carried at FV	3.7	4.9
Operating Profit (01.+02.+05.+06.)	**17.2**	**14.1**

In 2022, the investment operating profit amounted to € 10.7MN, an increase of € 3.1MN compared to the year before. This increase is mainly due to a higher net interest income, as yields were up in all markets and the yearly average volume of the bond portfolios was higher in 2022 than in 2021. Realised losses amounted to € -6.5MN, compared to € 0MN in 2021.

The largest component of our total investment income is interest income from debt securities, reflecting the fact that the bulk of the portfolio is invested in fixed income securities which provide stable long-term returns and regular cash-flows.

1.3.2 GAINS/(LOSSES) RECOGNIZED DIRECTLY IN EQUITY

Composition of other comprehensive income (linked to financial assets)

€MN	31/12/2022	31/12/2021
Unrealized gains and losses from available-for-sale financial assets	-67.0	14.6
Total other comprehensive income	**-67.0**	**14.6**

In 2022, due to market rates rising above historic purchase yields, the unrealized gain position turned into a net unrealized loss.

1.3.3 ADDITIONAL INFO ON SPECIFIC INVESTMENT AND OPERATIONS

No additional information to be provided.

1.4 Performance of other activities

1.4.1 OTHER MATERIAL INCOME

All material income is detailed in the above sections.

1.4.2 LEASING ARRANGEMENTS

AWP H&L has an operating lease held on our office space in Dublin and Qatar. The leases are 5 years in length and due to expire at the end of 2024. The operating leases have been accounted for in line with IFRS 16. The right of use asset and liability at the end of 2022 was EUR 0.6MN and EUR(0.6MN) .

1.4.3 INTRA GROUP TRANSACTIONS

The main transactions are management fees billed from parent companies, Allianz cash pool facilities, intercompany loans and re-insurance business ceded to/from other Allianz entities.

1.5 Any Other Information

Company Supervisor

The French Prudential Supervisory Authority, Autorité de Contrôle Prudentiel et de Résolution ("ACPR"), 4 place de Budapest CS 92459, 75 436 Paris Cedex 09, is the supervisory authority of AWP P&C.

Company Auditor

PWC audited the financial statements of AWP P&C as at 31st December 2022 (partner in charge: Christine Billy). They are in the process of issuing their audit opinion. The financial statements are prepared under French GAAP.

SYSTEM OF GOVERNANCE

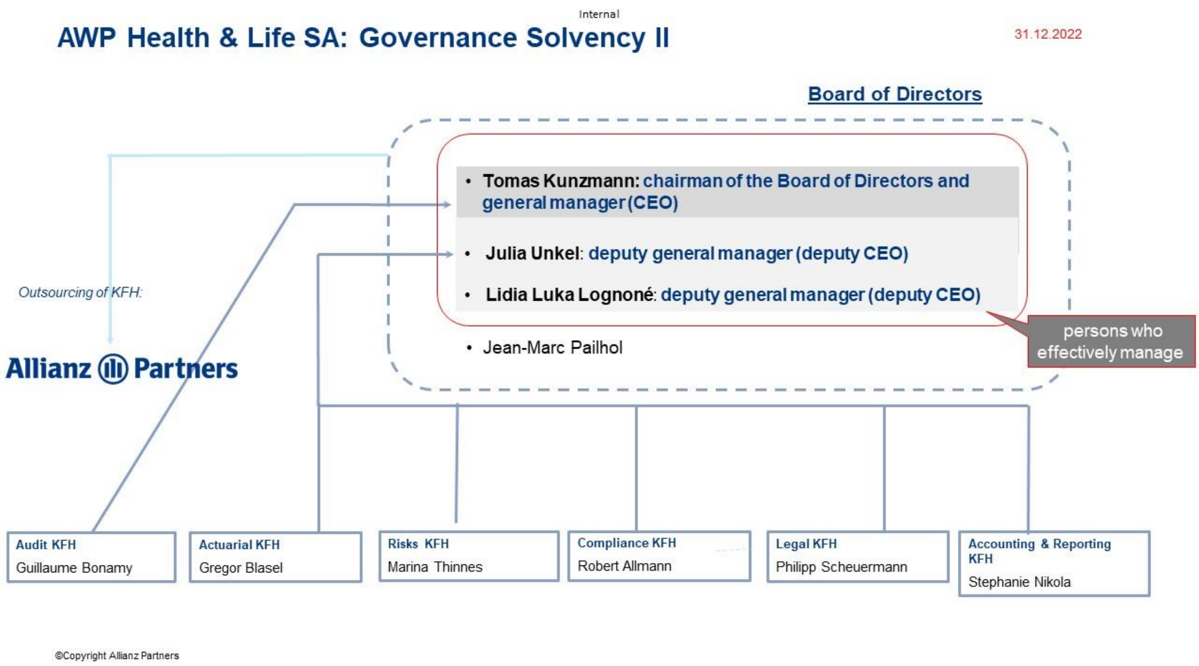
SYSTEM OF GOVERNANCE

2.1 General

2.1.1 GENERAL INFORMATION

AWP H&L is part of the AzP Sub-Group and is managed and governed under One AzP governance.

The governance of AWP H&L on the 31st December 2022 is detailed in the chart as follows:



2.1.1.1 STEERING CONCEPT

AzP Sub-Group, via AzP SAS, is managed as a Group, not as a conglomerate of separate legal entities. The overall responsibility for the Sub-Group steering lies with the Administrative Management Supervisory Board (AMSB) of AzP. This comprises the definition of Sub-Group's business strategy including the risk and investment strategy and Sub-Group's organizational structure.

AWP H&L is one of the three risk carriers of the group in France.

2.1.1.2 REPORTING LINES AND INTERFACES

(1) Solid lines:

The Health CEO reports to the President of Allianz Partners SAS.

(2) Functional lines to Allianz Group:

In line with the "One Company" concept, the President of Allianz Partners SAS reports to the Allianz SE board member responsible for Business Transformation Division. Similarly, AzP has one CFO with global financial responsibility for the Sub-Group, including AWP H&L. The AzP CFO has a functional reporting line to the respective Allianz SE board member in charge of Finance. AzP has also one COO with competence for all Sub-Group Operations/IT matters and a functional reporting line to the respective Allianz SE board member in charge of Operations /IT.

AzP Sub-Group functions have functional reporting lines to the corresponding AZ Group function. Nominations of AzP functions shall be pre-aligned with the Key Function Holder of the respective Group function.

2.1.1.3 AZP SUB-GROUP ORGANISATION

The Sub-Group model is organised around the following lines of business "LoB" (i.e. Mobility & Assistance, Travel, Health) / newly formed areas (i.e. Markets – Global Strategic Partnership – New Models). It also comprises Functions (Operations, Finance, Transformation & Strategy) and Regions.
Amongst the global functions are the Key Functions as defined by the Solvency II legislation (Audit, Actuarial, Risk, and Compliance).

For all Key Functions, to ensure coherent Sub-Group steering, in principle, the Key Functions holders (KFH) for the Sub-Group and solo entities are located at AzP SAS level. The same person may be the Key Function Holder at both Sub-Group and solo entities level.

Other central functions are deemed support functions (i.e. Communication, Internal control, IT, Operations ...) and are located at AzP SAS and at various legal entities within the AzP Sub-Group.

2.1.2 MAIN ROLES AND RESPONSIBILITIES OF AWP H&L ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES

2.1.2.1 PRINCIPLES AND FUNCTIONS OF THE AWP H&L BOARD OF DIRECTORS

The Board of directors shall consist of 3 to 18 members. As of December 31, 2022 AWP H&L Board was composed of 4 members as provided in the chart above.

The Board of Directors determines the guidelines of business and ensures their implementation. Subject to the powers expressly attributed to the shareholders' meeting and within the limits of the corporate object, it deals with all issues concerning due and proper operation of the company and rules by its deliberations on all matters that concern it.

The Board of Directors consults, directly or by its own initiative, every time it estimates it necessary and at least once per year the Key Function Holders. The Board of Directors can delegate this to the Audit & Risk Committee.

The Chairman of the Board of Directors represents the company in its relations with third parties and engages the company even for the actions that do not fall within the corporate purpose. She may be authorised by the Board of directors to give deposits, endorsements or guarantees on behalf of the company under conditions and within limits set out in Article R. 225-28 of the French Commercial Code.

A charter provides the operating of the Board of Directors. The members of the Board of Directors are appointed by the shareholders.

The "Dirigeants Effectifs" are the Managing Director and the Deputy Managing Directors of the solo entity.

The Key Function Holders are appointed at the level of the Sub-Group and act also at the solo level. They have a direct access to the "Dirigeants Effectifs" and they present their respective report to the Board of Directors of AWP H&L.

2.1.2.2 COMMITTEE FRAMEWORK

The Committee Framework of AWP H&L is organized at Sub-Group level :

- Committees under the Supervisory Board of AzP SAS ;
- Committees under the Board of Management of AzP SAS (the AMSB);
- Functional Committees.

Committee in the sense of the Sub-Group Framework is a body with decision making powers as follows:

- Delegated and documented authority (be it directly or – limited to one level – indirectly)
- With a scope on AzP and/or cross-functional / cross-LoB topics

The functional Committees are described in the respective AzP policies. Each AzP functional (managerial) committee has a cross LoB cross region cross market view.

2.1.3 MATERIAL CHANGES IN THE GOVERNANCE

In 2022 the changes in the governance are the following:

- Mrs. Srima Boshnakova resigned from her position as Chairwoman of the board of Directors and Managing Director of the Company as of July 1st, 2022. She was replaced by Mr. Tomas Kunzmann.

2.1.4 REMUNERATION POLICY

2.1.4.1 SCOPE & POLICY APPLICATION

The AzP Compensation Policy applies to all BUs within AzP, including the insurance companies, such as AWP H&L.

Its content is derived from Allianz Group Remuneration Policy, with the objective of reasserting and complementing the principles established by Allianz Group. The respect of those principles and the associated governance rules is mandatory within the full perimeter of Allianz Group and its different Operating Entities (OEs), including AzP.

In the case where one of the principles set in Allianz Group or AzP Compensation Policy would contradict any local legislation, the latter should always have priority over the corporate policy. If an interpretation or a clarification is needed on how the Policy should apply locally, AzP Reward and Performance should be consulted by local HR or local management.

AZ Partners HR is the owner of this Policy and is responsible for maintaining and updating this document. Input from Allianz Group and further OEs will be considered. The Policy will be reviewed at least once per year. All material changes will need approval by the AzP Board member in charge of HR and by the Supervisory Board of AzP.

The Policy applies as of the date of approval by the AzP Supervisory Board latest by 12th October 2022 „ superseding the current version 6.0 , and is available on the AzP Intranet (AzPConnect) and in Allianz Partners Governance Rule book."

The policy application is monitored at different levels of the Allianz Group. The following shows the various decision takers for AzP regarding compensation issues, with the different Compensation Committees in place:

The Allianz Group Compensation Committee (GCC) oversees Rewards & Performance (R&P) issues for Allianz Group. it sets and maintains the standards in this regard and makes sure that governance principles are respected throughout the Group. It is reviewing and validating R&P decisions that affect the senior executive population.

The Supervisory Board Compensation Committee of AzP (AzP SBCC) acts as the relevant Compensation Committee for all matters that relate to the compensation and performance management of the Management Board Members of Allianz Partners.

The AzP Compensation Committee (AzP CC) governs all performance and compensation decisions for Allianz Parnters' executive population. It approves the Individual Compensation packages of Allianz Partners Senior Executives and Compensation packages exceeding a defined threshold, before final validation by Allianz GCC. It is the governance body to which regional compensation committees set up in 2020 may refer in case of escalation of a topic.

Governance on compensation issues is based on transparency, thoroughness and effectiveness. Allianz SE therefore organizes roles & responsibilities between the different levels (Group AZ and OEs, mainly). The different bodies are in charge of taking and enforcing compensation decisions.

2.1.4.2 TTDC APPROACH

Allianz SE and AzP base their policy on the so-called "Target Total Direct Compensation" (TTDC) approach which combines base salary and all individual variable components (i.e. profit sharing is not included). Variable compensation is presented with target amounts, i.e. if the employee reaches a 100% performance achievement level.

The target compensation value is set for a position based on internal (AzP) and external (market) factors with the individual's experience level and performance role.

Once the TTDC is defined, a mandatory pay mix determines the allocation of TTDC into:

- Fixed compensation → base salary. It is the guaranteed amount paid out in regular payments throughout the year.
- Variable compensation → It is the variable amount of compensation that is determined with a target value and may result in final amount ranging from 0% to 165%, based on individual and company (for executives) performance.

This target amount (TTDC) becomes the Actual Total Direct Compensation (ATDC) during year-end cycle, once the precise variable amounts (bonus and others) are known and after all validation steps are completed.

All termination of employment must adhere to all legal and contractual obligations. Specific plans like ASPP or local variable schemes have developed their own conditions that must also be fulfilled. The general objective of Allianz is to stick to the principle of "no reward for failure". Any termination payment shall indeed take into account the Employee's performance.

Base Salary

Base salary is the fixed remuneration component that provides for a stable source of income. It rewards the role and responsibilities of the Employee, taking into account local labor market conditions. Base salary will represent a sufficiently high proportion of the total remuneration, to avoid the Employee being overly dependent on the variable.

Fixed remuneration is broken down into monthly or bi-weekly emoluments depending on the country of operations. The exact number of payrolls during the year depends on local rules and conditions.

Variable components

Compensation is fundamental to the ability of AzP to attract, retain, reward and motivate its talents. Proposing significant bonus payment contributes to this goal.

In addition of being split into fixed and variable pay, the latter one being also separated between short and long term. For senior executives, having a balance between short-term performance and sustained long-term success makes perfect sense from a business point of view.

Generally speaking, the higher the employee level, the larger the percentage of total variable compensation.

Annual Bonus

A portion of the variable compensation, the annual bonus, rewards the achievement of financial and individual priorities for the respective performance year. The annual bonus is paid in cash following the annual performance assessment. Depending on the performance assessment, the pay-out may be less than 100 % of the target bonus.

Allianz Equity Incentive (AEI)

A virtual share award, known as "Restricted Stock Units" (RSUs) is granted to some executives. It is linked to the performance of Allianz SE shares. Following the end of a four-year vesting period, the company makes a cash payment. The RSU payout is capped at 200 % above grant price to avoid extreme payouts.

The group allows for One-Time-Award to reward employees who are not entitled to contractual AEI, whose performance is particularly notable in a year.

2.1.5 INFORMATION ABOUT MATERIAL TRANSACTIONS WITH RELATED PARTIES

No material transaction took place in 2022.

2.2 Fit & Proper

2.2.1 PERSONS WHO HAVE KEY FUNCTIONS: PROCESS FOR ASSESSING THEIR FITNESS AND PROPRIETY

Each Key Function Holder must possess the Fitness required to fulfil the tasks assigned to him by the policy of the respective Key Function, if any, and applicable law.

In cases where a Key Function is outsourced according to the Allianz Group Outsourcing Policy, the Fitness requirements for the person within the Provider (as defined in the Allianz Group Outsourcing Policy) responsible for the Key Function are identical to those applying to the respective Key Function Holder himself.

The Key function Members comprise the Key Function holders and the Key function Staff.

In case of AWP H&L, the Key Functions Holders are outsourced to AZPSAS.

The Key functions staff (KFS) comprises further selected persons working within the Key Function throughout the solo entity, who have a direct reporting line to the Key Function Holder and have independent decision rights.

For the purposes of this Policy and in line with Allianz and Allianz Partners Fit and Proper policy and Solvency II legislation, Key Functions are

- the risk management function;
- the Legal function;
- the compliance function;
- the actuarial function;
- the accounting and reporting function;
- the internal audit function.

2.2.1.1 POLICIES AND PROCESSES TO ENSURE FIT AND PROPER

As a solo entity under AZP Governance, AWP H&L follows the Fit & Proper processes defined in the AZP Fit & Proper Policy, as described in the following sections.

Sound processes during recruiting and regular and ad-hoc reviews as well as appropriate training are necessary to ensure Fitness and Propriety.

The following persons / bodies are responsible for the Fit and Proper assessments

Entity	Position	Responsible for Fit & Proper Assessments
AZP Sub-Group	President	AZP Supervisory Board
	Board of management ('*directoire*')	AZP Supervisory Board
	Sub-Group Key Function Holders	Member of the AZP Executive Committee in charge of that Key Function
	Sub-Group Key Function Staff	Respective KFH
Solo Entities	Board of Directors (*Conseil d'Administration)*	AZP President, by delegation of AZP supervisory board
	General Manager (*Directeur General*)	BoD of entity, possible delegation to the President
	Deputy General Manager (*Directeur General Delegue*)	BoD of entity, possible delegation to the President
	Key Function Holders	Solo Entity President after alignment with sub group KFH
	Key Function Staff	Respective KFH
Solo entities	Person responsible for overseeing outsourced key function	Member of BoD to which the person responsible reports directly or indirectly

2.2.1.2 FIT AND PROPER ASSESSMENT AT RECRUITING

AWP H&L must ensure that, during the recruiting process of any Position in Scope, whether internal or external to the Allianz Group, their Fitness and Propriety are assessed. An employment or service contract may only be entered into after the successful completion of recruiting process as outlined in the Fit & Proper policy.

As regards the Positions in Scope that are not hired under an employment contract, candidates are assessed in accordance with the Fitness requirements described above as well as further criteria defined by the relevant approval level.

(A) JOB DESCRIPTIONS / FITNESS REQUIREMENTS FOR THE POSITION

Where these positions are subject to an employment contract, job descriptions with fitness criteria are used to assess the fitness and to fill open positions within the scope of this policy both internally and externally. The AWP H&L HR department shall ensure that the Fitness criteria checklist/job descriptions are in place, in line with corporate communication requirements and local laws and regulations, including anti-discrimination regulations. Each job description specifies the job role and the tasks and key responsibilities associated with it, as well as the Fitness required to perform the job role in a sound and prudent manner.

In the Global Assessment and Senior Assessment the Allianz Leadership mindset is used as model

(B) CURRICULUM VITAE;

All candidates must submit a current curriculum vitae at the beginning of the recruiting process.

(C) BACKGROUND CHECKS

The final candidate (internal or external) for a position within the Senior Management or as Key Function Holder must be subject to a background check, comprising of:

- the submission by the candidate of copies of his required qualifications;
- the submission by the candidate of a proof of good repute and of no previous bankruptcy, including a certificate of good conduct or adequate documents (e.g. criminal records check, police clearance certificate), presented not later than three months after the date of issue; and
- a reference check and a public media search subject to applicable privacy laws and regulations.

All final external candidate for Key Functions Staff – as listed by the Key Function holders- must be subjected to a (partial) background checks. For internal candidate, the (partial) background check should be performed if the final candidate has less than 4 years tenure in Allianz, and if the (partial) background checks have not been performed when hired in Allianz and AWP H&L

In the event that any of the documents to be submitted by the candidate for the background check is not available, the department / body responsible for the recruitment decides on the adequate measure (e.g. request for a statutory self-declaration to serve as proof).

(D) DEVELOPMENT CENTER

Allianz Senior Executive Development Center

Internal candidates applying to assume an Allianz Senior Executive position for the first time must undertake the Allianz Senior Executive development center, including:

- an assessment with a professional interviewer; and
- psychometrics to assess the candidate's leadership styles and the organizational climate they create.

The results of the Allianz Senior Executive development center remain valid for five years. Thus if an internal candidate moves to an Allianz Senior Executive position with a valid assessment, a new development center, neither a leadership assessment nor a refresher is required.

If an internal candidate is not confirmed (ie. evaluated as 're-assed') in the Allianz Senior Executive development center (1) they need to redo the Center at a later point in time prior to moving to an Allianz Senior Executive position or (2) AWP H&L board approval is needed to commence exception process.

For external candidate a Leadership Assessment with an external assessor is performed.

The Allianz Senior Executive Development Center / Leadership Assessment can be arranged for the final candidate to a role in scope

Global Assessment

Internal candidates applying to assume an Allianz Global Executive position for the first time or first time on an Allianz Global Executive position reporting directly to the group CEO of AWP H&L shall have a valid Global Assessment, including

- an assessment with a professional interviewer;
- references from the candidate's superiors, peers, direct reports and other stakeholders; and
- Interview and psychometrics to assess the candidate's leadership mindsets, competencies, personalities traits and potential

The Global Assessment are managed by Allianz SE (Group HR) and the results remain valid for five years.

(E) INTERVIEWS

All candidates for a position in scope shall have at least two interviews.

Specific cases :

Allianz Senior Executives : the final candidate shall have an endorsement from the responsible member of the Board of Management of Allianz Partners. One of the at least two interviews shall be with an HR professional if candidate is external or internal Allianz but outside of AWP H&L.

Allianz Global Executive reporting directly to a member of the Board of Management of Allianz SE : All candidates shall have an interview with or an endorsement form :

- Three members of the Board of Management of Allianz SE and

- The CHRO Allianz SE, or by delegation and
- An additional structured interview regarding compliance aspects with at least two representative of the following functions of Allianz SE : the Head of Group Legal, The group Chief compliance officer or the Head of Group Audit

Other Allianz Global Executive (without direct reporting line to a member of the Allianz SE Board of management) : All candidates for Allianz Global Executives positions in scope shall have an interview with, or at least and endorsement from :

- The responsible member of the Board of Management of Allianz SE, and
- The Functional member of the Board of Management of Allianz SE (e.g. Group CFO for Finance position) or alternatively respective Group Center Head, and
- The HR Director or AWP H&L or Group HR AZSE

2.2.1.3 FIT AND PROPER AT INCEPTION OF SOLVENCY II AND UPON DESIGNATION TO ACPR

Irrespective of their tenure within the Allianz Group, nomination of executive management and Key Function Holders must be made to ACPR before January 1, 2021 and at renewal. The format is set by the regulator's instruction.

The nomination to ACPR requires running the Fit and Proper process (interview process excluded).

2.2.1.4 FIT AND PROPER REGULAR REVIEWS

An individual's Fitness and Propriety in a Positions in Scope is reviewed on an ongoing basis and confirmed through annual performance review which include:

- Assessment of integrity and trust which both form an integral part of the mandatory behavioural targets. Hence, annual performance reviews include an assessment of the proper behaviour of Senior Management and Key function Members within their roles.
- Assessment of leadership and management skills as applicable, as well as the relevant knowledge for the specific role as set out in the Annex and the relevant Fitness criteria checklist or Job description.

Additionally, Talent Discussions and Performance and Talent Dialogues are performed annually, where persons of a certain seniority level including Senior Management, other than the Board Members, and Key Function Members are assessed on their performance and Fitness in their current role as well as their potential to carry out new roles.

Fitness requirements are deemed to be met if the position holder's performance is rated at "at target or above target" in the annual performance process.

2.2.1.5 FIT AND PROPER AD-HOC REVIEWS

Ad-hoc reviews are required in certain situations which give rise to questions regarding a person's Fitness or Propriety, e.g. in case of:

- Relevant breach of the Allianz Code of Conduct or risk limits (based on internal assessments by the relevant bodies);
- Failure to submit required self-disclosure statements, e.g. statements of accountability or disclosure of security trading;
- Investigation or any other procedure possibly leading to a conviction of a criminal, disciplinary or administrative offence (in the case of an administrative or disciplinary offence, the relevance to AWp H&L and solo entities business and the person's position shall be taken into account), or to administrative sanctions for non-compliance with any financial services legislation;
- Evidence of financial or accounting irregularities in their field of responsibility;
- Signs of indebtedness such as undisputed writs of execution or garnishment for payments owed by the key function holder;
- Evidence of procedure to withdraw a professional license or exam against the person;
- Substantiated complaint within the Allianz Group (e.g. whistle-blowing) or from supervisors; and
- In case of a "below target" rating with an individual performance factor below 50% within the annual performance assessment (including the Performance and Talent Dialogues).

In the context of an ad-hoc review, not only the particular circumstance which gave rise to it, but the Fitness and Propriety of the person concerned as a whole are reassessed.

2.2.1.6 FIT AND PROPER WHEN OUTSOURCING OF A KEY FUNCTION

In cases where a Key Function is outsourced according to the AZP Sub-Group Outsourcing

Policy, the due diligence of the Provider by the Business Owner comprises a description of the process used by the Provider to ensure the Fitness and Propriety of its personnel and a written confirmation that the Provider's personnel working within the outsourced Key Function is Fit and Proper (Fit and Proper Test).

When the key function is outsourced within the AZP sub group, due to all entities within the AZP subgroup having adhered without any restriction and to its full extent to the Fit and Proper policy, the process above is met by definition. The person responsible for the outsourced key function is subject to the fit and proper (upon designation) procedure. The service provider performs the fit and proper assessment as part of its normal process

2.2.1.7 ASSESSMENT RESULTS

Based on the information gathered during recruiting, a regular or ad-hoc review or a designation to the regulator, each case must be assessed individually, considering the following:

- As regards Fitness, if it appears that a member of the Senior Management, a Key Function Member or an internal candidate to such a position suffers from a specific lack of knowledge, competencies or skills, it shall be considered whether this lack is curable through specific professional training and if so, the person must be provided with such training.
- Regarding Propriety, whereas any hint of a possible lack of Propriety must be taken into account for the assessment, factors such as the type of misconduct or conviction, the severity of the case, the level of appeal (definitive vs. non-definitive conviction), the lapse of time since and the person's subsequent conduct are also taken into account, as well as the person's level of responsibility within AWP H&L and the relevance of the finding for the respective position (i.e. the position's exposure to integrity and fraud risks). Furthermore, any finding with respect to a person's Propriety must be shared with the compliance department, as well as the legal department where adequate.

In case the person / body responsible for the assessment concludes that the person subject to the assessment is not or no longer Fit or Proper, the respective President or Managing Director of the entity (Sub-Group or Solo Entity) must be informed before any decision is taken on the consequence of the assessment. In respect of the Key Function Holders, the head of the respective Group Center is consulted.

If, after careful review of the findings and consultation of the relevant departments / persons where necessary, the person is assessed as not Fit or not Proper, the following applies:

- If it appears during a recruiting process that a candidate is not Fit or not Proper enough for the position the person is applying for, said candidate may not be appointed or recruited.
- If a regular or ad-hoc review shows that a person can no longer be considered Fit or Proper for his position, the person must be removed from the position without delay, subject to employment law in cases where the person is an employee of Allianz.

In respect of Solo Entity KFHs, decisions should be aligned with the KFH of the AZP Sub-Group. He is always consulted and has a right of nomination on any appointment and dismissal. He participates to ad-hoc review and is involved in target setting and performance reviews. He ensures alignment with respective Allianz Group KFH and group centers.

2.2.1.8 DOCUMENTATION

The Solo Entity must ensure that the relevant HR departments retain all documents collected or established as part of recruiting, performance reviews and Talent Discussions. Further, the HR departments shall provide a list of Senior Management and Key Function Members to Group HR upon request.

2.3 Risk Management Function

2.3.1 RISK MANAGEMENT FRAMEWORK

AzP Risk Management Function is a Global function in charge of AzP Sub-Group and solo entities (including AWP H&L) Risk Governance (including Risk Management Framework and Strategy). All references below in relation to AzP Risk management processes are applicable for AWP H&L.

Objectives

The AzP Risk Management Function is a key function within the Internal Control System of AzP. Its main objectives are:

- Supporting the first line-of-defense by helping ensure employees at all levels of the company are aware of the risks related to their business activities and how to properly respond to them;
- Supporting the AMSB with development of a risk strategy and risk appetite;

- Monitoring of the risk profile to ensure it remains within the approved risk appetite and following up on instances of any risk appetite breaches (i.e. via resolution directly with the first line-of-defense and other stakeholders or escalation to the AMSB);
- Encouraging a strong risk culture which is supported by solid Risk Governance and incorporation of risk considerations into management and decision-making processes;
- Applying a uniform and comprehensive risk capital approach to protect our risk capital base and to support effective capital management.

Principles

The following ten principles serve as a basic foundation upon which the AzP Sub-Group's and solo entities Risk management approach is implemented and conducted:

1. Sub-Group AMSB is responsible for the Risk strategy and appetite
2. Risk Capital as a Key Risk indicator
3. Clear definition of the organizational structure and Risk process
4. Measurement and evaluation of risks
5. Development of limit systems
6. Mitigation of risks exceeding the Allianz Partners Risk appetite
7. Consistent and efficient monitoring
8. Consistent Risk reporting and Risk communication
9. Integration of Risk management into business processes
10. Comprehensive and timely documentation of risk related decisions

Risk Strategy

The Risk Strategy is a core element of AzP and its solo entities' risk management framework.

It defines our approach to managing risks faced by AzP and its solo entities in the course of pursuing its broader business strategy. The aims of the risk strategy include:

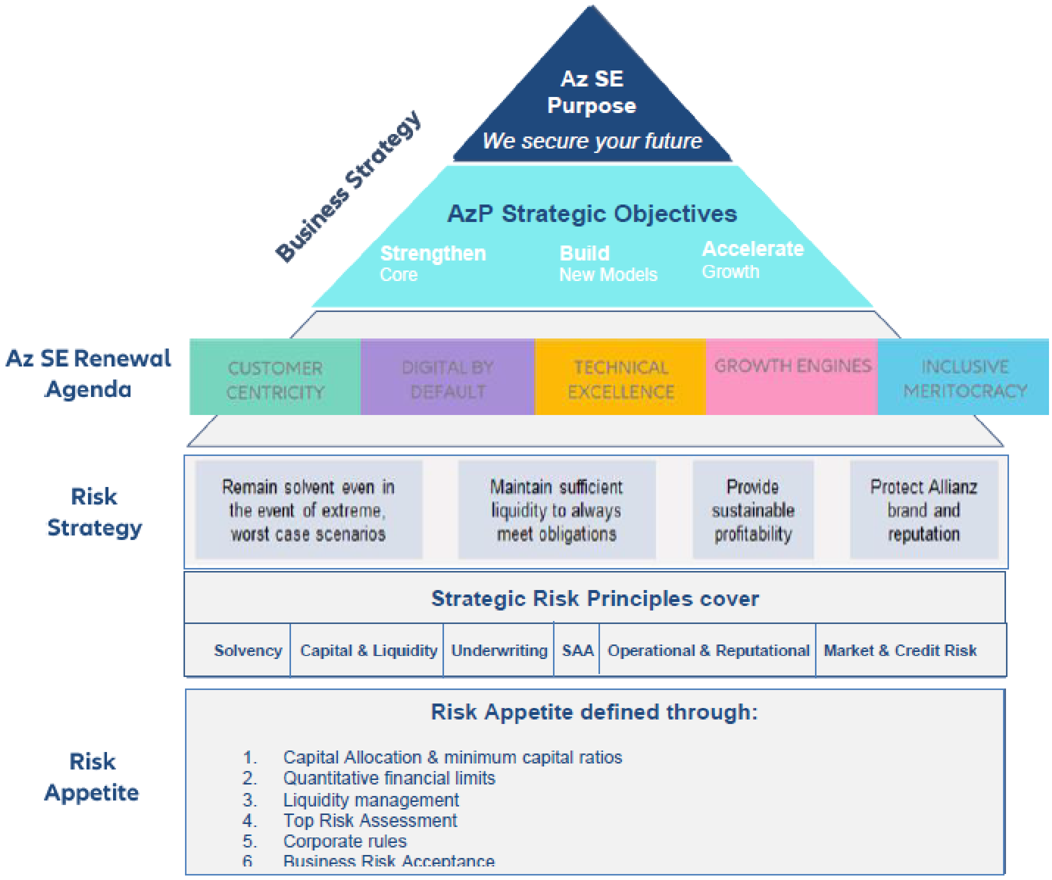
- Protecting the Allianz brand and reputation
- Providing sustainable profitability
- Remaining solvent even in the event of extreme, worst case scenarios
- Maintaining sufficient liquidity to always meet the organisation's obligations

The associated AzP Risk Appetite, defined with respect to all material qualitative and quantitative risks, is developed in a manner that,

- Allows for breaking the Risk Appetite down to the legal insurance entities (including AWP P&C SA, AWP H&L SA and Fragonard SA) and at any local and regional level, and
- Takes into account shareholders' expectations, requirements imposed by regulators and rating agencies.

The AzP Risk Strategy, presented in the chart below, is divided into three components:

- Business strategy, including key measures or principles
- Risk strategies for the main risk categories, as defined in the AzP Risk Policy
- Supporting Risk Appetites



Compliance with the risk strategy of AzP and the implementation of the associated risk appetite is ensured through the implementation of suitable risk management processes.

The AzP Risk strategy and the associated Risk appetite is documented in the AzP Risk Strategy, the AzP Risk Appetite and the AzP Risk Policy Framework, and is applicable at LoB level.

2.3.2 RISK GOVERNANCE AND ROLES & RESPONSIBILITIES

AzP's approach to risk governance enables an integrated management of local and global risks and ensures that our risk profile remains consistent with our risk strategy and our capacity to bear risks.
The following summarizes and further outlines the main roles & responsibilities.

AzP Sub-Group AMSB

The responsibilities are:

- Implementing the Risk Policy into the AzP Sub-Group's system of governance;
- Developing and implementing the AzP Sub-Group's Risk strategy, appetite and limits;
- Establishing a Risk oversight function responsible for the independent Risk oversight;
- Implementing the Risk management process, including the Solvency Assessment;
- Ensuring that the business strategy is coordinated with the risk strategy.

AzP Global Risk Function

The responsibilities are:

- Regular review of AzP Risk Strategy and Risk Appetite;
- Regular assessment of the adequacy of AzP's Risk Policy Framework towards the fulfilment of regulatory requirements and achievement of the Risk strategy;
- Implementation, execution and oversight of Risk Management and Internal Control framework across the AzP Sub-Group;

- Monitoring and reporting the AzP Sub-Group's Risk Profile including the calculation and reporting of the Risk Capital;
- Supporting the AzP AMSB through the analysis and communication of Risk Management related information and by facilitating the communication and implementation of its decisions;
- Escalation to the AzP AMSB in case of material and unexpected increases of Risk exposure;
- Reporting the Solvency Assessment as well as any further material Risk Management related information to appropriate bodies;
- Ensuring the involvement of the Risk function in strategic decision through the regular interactions with other functions and executive management;
- Coordinating and cooperating with other Key Functions including Legal, Compliance and Actuarial;
- Supporting a strong risk culture throughout the business.

AzP Risk Committee

The Allianz Partners Risk Committee is in charge of all risk topics relating to the Allianz Partners Sub-Group, including solo entities. In particular, the Allianz Partners Risk Committee is responsible for risk governance and standards, risk management framework, regular and ad-hoc internal reporting, product risk controlling etc.

AzP Audit & Risk Committee / Supervisory Board

The key function holder of the risk function reports on the risk management framework updates, risk regulatory reporting and any issues in a regular risk function report to the Audit & Risk Committee (sub-Committee of the Supervisory Board).

2.3.3 RISK MANAGEMENT PROCESSES

In line with Allianz Partners Sub-Group, AWP H&L categorizes all risks into one of eight broad risk categories, which are further broken down into risk types. These risk categories are observed throughout the management and reporting of risks. Some of the risk categories may accumulate as a result of an unbalanced risk profile with one or more disproportionately large risks (Concentration risk). Similarly, changes to the profile of existing sub-categories of risk may emerge within the eight risk categories (Emerging risk). Environmental, Social or Governance (ESG) events or conditions which, if they occur, may potentially have significant negative impacts on the assests, profitability or reputation of the Allianz Group or one of its companies constitute the ESG risk. Concentration risk,Emerging risk and ESG risk do not constitute separate risk categories.

For all material quantifiable and non-quantifiable risks a comprehensive risk management process is in place which incorporates risk identification, risk assessment, risk response and control activities, risk monitoring and risk reporting. The process is implemented and conducted within the confines of a clearly defined risk strategy and risk appetite and periodically assessed for adequacy.

The following sections provide details of the three comprehensively defined building blocks of our risk management process, which together cover all risk significant risk categories.

Risk Category	Internal Risk Capital	Top Risk Assessment	Specific Risk Management Process
Market Risk	✔	✔	✔
Credit Risk	✔	✔	✔
Underwriting Risk	✔	✔	✔
Business Risk	✔	✔	✔
Operational Risk	✔	✔	✔
Reputational Risk		✔	✔
Liquidity Risk		✔	✔
Strategic Risk		✔	

2.3.3.1 CAPITAL MODEL

All material and quantifiable risks, including market, credit, underwriting, and operational risks, are accounted for within the capital model. AWP H&L use currently the Standard Model for the calculation of capital requirements.

Capital is monitored on a quarterly basis and stress tests are performed on an annual basis in order to ensure that adequate capital exists to protect against unexpected, extreme economic losses.

2.3.3.2 TOP RISK ASSESSMENT (TRA) FRAMEWORK

The Top Risk Assessment (TRA) is a structured and systematic process implemented across the Allianz Partners Sub-Group, covering also the top risks for its Solo Entities. The objective of the TRA is to identify and remediate significant threats to financial results, operational viability and the delivery of key strategic objectives, regardless of whether they can be quantified or not.

The TRA is an annual assessment that ensures top management oversight of the most significant risks facing the company. The TRA process serves as a critical component of the AzP Enterprise Risk Management (ERM) system and is designed to:

- Validate risks in-scope of the TRA and the risk description
- Confirm Risk Owners and Risk Experts for each in-scope risk
- Assess the actual and target risk for each in-scope risk
- Identify and assess key controls and the control environment for each in-scope risk
- Develop action plans for all risks above risk appetite to ensure that material risks are mitigated and monitored.

Throughout the year, the AzP Global Risk team along with the Risk Owners reassess the Top Risk and updates are provided to the appropriate governing bodies on a quarterly basis.

2.3.3.3 OTHER SPECIFIC RISK MANAGEMENT PROCESSES

In addition to the TRA, the AzP Sub-Group and its solo entities manages all material risks of all risk categories through the application of specific risk management processes following the corporate rules of the Risk Policy Framework.

Some examples are provided below:

- Integrated Risk and Control System (IRCS). Through IRCS AzP identifies, assesses, manages and monitors operational risks and control weaknesses. This process helps to ensure that effective controls or other risk mitigation activities are in place for all potentially large impact operational risks.
- Quarterly Risk Reporting. This process allows us to capture and monitor any high impact risks that are not covered within the cyclical risk assessment processes or that have emerged after the TRA annual review.
- Operational Risk Events Capture. All operational losses exceeding specified thresholds are reported into a central database (ORGS) in order to create transparency and gather information about incurred loss events.

In addition, important additional activities are carried out by AzP Global Risk Function in partnership with other central AzP Sub-Group holding functions focusing on specific types of operational risks:

- Non-financial Risk Management Framework,
- Product Risk Assessment,
- Project Risk Assessment,
- Reputational Risk Assessment,
- IT risk management,
- Business Risk Acceptance Process and others.

2.3.4 OWN RISK AND SOLVENCY ASSESSMENT FRAMEWORK

The ORSA is a comprehensive assessment of all risks inherent to the business in order to determine whether current and future capital will be sufficient to ensure ongoing solvency against these risks. It goes beyond the determination of capital needs provided solely through application of risk capital models by additionally considering stress scenarios and how these risks translate into capital needs or are otherwise mitigated.

The overall ORSA approach includes the consideration of certain events or conditions that could trigger performance of an additional ORSA outside of the regular annual process (i.e. non-regular ORSA). The decision to perform a non-regular ORSA is ultimately made by the CRO whenever significant perceived changes to the risk profile of AzP, since performance of the last ORSA, are recognized.

That assessment shall include at least the following (Art.45 Solvency 2 Directive):

- the overall solvency needs, taking into account the specific risk profile, approved risk tolerance limits and the business strategy of the undertaking;
- the compliance, on a continuous basis, with the capital requirements and with the requirements regarding technical provisions;
- the significance with which the risk profile of the undertaking concerned deviates from the assumptions underlying the Solvency Capital Requirement calculated with the standard formula.

2.3.5 FREQUENCY TO REVIEW AND APPROVE ORSA

A comprehensive ORSA is performed at least on an annual basis and documented in an ORSA Results Report, which is approved by both the AWP H&L Board and the AzP AMSB, prior to being submitted to the ACPR.

2.3.6 INTERACTIONS BETWEEN CAPITAL MANAGEMENT ACTIVITIES AND RISK MANAGEMENT SYSTEM

All material and quantifiable risks, including Market, Underwriting , Credit and Operational Risks arising through AWP H&L business, are covered by the Standard Risk Capital Model for AWP H&L, and reported within the ORSA.

Non-quantifiable risks are analysed, based on qualitative criteria, through performance of a Top Risk Assessment (TRA). For the AWP H&L TRA, which actually incorporates all risks both quantifiable and non-quantifiable, the focus is on risks and risk scenarios that are material at the AWP H&L level, as determined based on a standard qualitative assessment methodology.

The overall solvency needs for AWP H&L are determined by taking into account the Company's risk profile, approved risk tolerance limits and its Risk Strategy and Business Strategy.

2.4 Internal control system

2.4.1 INTRODUCTION

The internal control system of the Company consists of specific risk identification, control programs and assessment activities which provide assurance to management on the overall effectiveness of the control environment with a focus on the following objectives:

- Safeguarding the Companies existence and going concern
- Creating a strong control environment, ensuring that personnel are aware of the importance of internal control and their role in the internal control system
- Conducting control activities commensurate to the risks arising from activities and processes in the Company.
- Providing management bodies with the relevant information for their decision-making processes
- Ensuring compliance with applicable laws and regulations.

To achieve the above objectives, Allianz SE has defined a minimum standard of Internal Control, which has been implemented across the Company. It includes governance procedures, a standard matrix of risks and controls, and programs for evaluating and managing the effectiveness of the Internal Control System (e.g. IRCS).

2.4.2 THREE LINES OF DEFENCE APPROACH

As a core conceptual element of the internal control framework, the Company has a Three Lines of Defence model in place, consistent with Allianz Group, which allows for different and clearly distinguished levels of control with graduated control responsibilities.

The first line of defence comprises the management of day-to-day activities, of risks, and of controls. Key activities focus on the operational assessment of risks and returns by taking or by directly influencing the origination, pricing, and acceptance of risks, as well as implementing control standards to support the optimization of risks and returns.

The second line of defence involves the independent overseeing and challenging of the day-to-day risk-taking actions and controls performed by the first line. Key activities include defining overarching control frameworks, performing control activities, and advising on risk mitigation strategies and control activities.

In order to enable the second line of defence to execute its role, the key functions in charge are assigned certain competencies, such as independence vis-a-vis first-line responsibilities, a direct reporting line to the relevant Board of Management member, and the right to veto business decisions for important reasons. Independent oversight of any of the first line-of-defence functions is exercised by the following second-line functions: Compliance, Legal, Risk and Actuarial.

The third line of defence provides independent assurance across the first and second lines. Its activities include, in particular, providing an independent assessment of the effectiveness and efficiency of the Internal Control System and issuing a report on the results of such assessment to the Board of Management member in charge. The third line-of-defence function is executed by the Internal Audit function.

2.4.2.1 RELATIONSHIP BETWEEN CONTROL FUNCTIONS WITHIN THE THREE LINES OF DEFENSE MODEL

To ensure the effectiveness of our internal control system, all function holders are obliged to cooperate and exchange necessary information and advice. Given that control activities may be exercised by staff in different organizational units, appropriate mechanisms are in place between the control functions to allow fully informed and educated decision-making.

2.4.2.2 RELATIONSHIP BETWEEN SECOND LINE FUNCTIONS AND INTERNAL AUDIT FUNCTION

The Actuarial, Legal, Compliance, and Risk Management functions are separated from the Internal Audit function. There are no instruction rights or reporting obligations between any of these functions. The Actuarial, Legal, Compliance, and Risk Management functions are included in the audit program and methodology applied by the Internal Audit function, in that it performs a periodic assessment of the adequacy and effectiveness of these functions.

The head of Internal Audit keeps the heads of the key functions – Actuarial, Legal, Compliance, and Risk Management – informed of any audit findings in their respective areas of responsibility.

2.4.2.3 JOINT RESPONSIBILITIES OF KEY FUNCTIONS

The Actuarial, Legal, Compliance, Risk Management and Internal Audit functions, together with Accounting and Reporting shall jointly ensure and assess, at least once per year, that clear and consistent responsibilities and processes regarding the control framework are in place and executed (such as quarterly joint meetings, an annual TRA assessment dialogue, or, annual meeting for the adequacy testing regarding the system of governance review). These functions shall closely cooperate, maintain reciprocal oversight and be aware of concrete tasks and competencies of each sister function.

The Internal Audit function's responsibility to independently assess the effectiveness and efficiency of the Company's internal control system remains unaffected by this.

2.4.2.4 COMPLIANCE FUNCTION

Organizationally, the Compliance Function of the Company is assigned to AzP Group Compliance, AzP SAS being designated by ACPR (Autorité de Contrôle Prudentiel et de Résolution) as holding company of the sub-group in accordance with the provisions of Paragraph 1 of Article L. 356-4 of the French Insurance Code.

The AzP Compliance Function is thus a centralized function responsible for the compliance framework of the Company; hence AzP Compliance Policy serves as overarching policy for AWP H&L and is mandatory and equally relevant for all legal entities, within AzP, consistent with legal requirements.

The Compliance Function is a key function within the Internal Control System of AWP H&L and Sub-Group. Its main objectives are:

- Monitor whether appropriate and effective internal procedures are in place to ensure adherence to External Requirements that pose a material risk. Thus, the Compliance Function is required to oversee whether relevant functions have established appropriate and effective procedures under their own responsibility. This includes the identification, assessment and mitigation of these risks.
- Advise senior management and supervisory bodies on compliance with external requirements and on the consequences of any material changes to the legal environment, in coordination with the Legal Function, in sufficient time to allow AWP H&L and Sub-group to implement corresponding precautions and actions. The advisory role includes providing advice on applicable laws and regulations as well as on principles and procedures to achieve compliance.
- Oversee the monitoring of the possible impact of any of these changes of the legal environment on AWP H&L and Sub-Group's operations.
- Oversee relevant operational activities of the sub-group are conducted in accordance with the ethical standards such as defined in the Code of Conduct.

The risks assigned to the Compliance Function and the respective tasks are described in the AzP Compliance Policy, which is implemented throughout the whole AzP sub-group, and reviewed and updated on an annual basis.

The risk areas handled by the Compliance Function include in particular, anti-bribery and corruption, anti-money-laundering and anti-terrorism financing, economic sanctions compliance, compliance with rules of the financial markets, the consumer protection and the management of commercial relationships, anti-trust (advice, design and implementation of anti-trust program and implementation of anti-trust law requirements by Legal Function), internal fraud, data privacy (owned by the Privacy Function, oversight by Compliance Function) or compliance with the Foreign Account and Tax Compliance Act (FATCA).

2.4.3 INTEGRATED RISK AND CONTROL SYSTEM (IRCS)

Fundamental to the IRCS is the concept of an integrated approach. While there are several different sources of operational risks (e.g. Reporting risks, Compliance risks, IT risks) the process towards their management always follows the same basic formula; significant operational risks must be identified, assessed and prioritized for improved management and it must be ensured that the controls underlying their management are effective.

It is the responsibility of each 1st Line Function to ensure that the operational risks related to their business activities are adequately controlled. For the most significant operational risks, the 2nd Line of Defence is additionally employed to ensure these functions are adequately meeting this responsibility.

The scope of IRCS Programme includes, at a minimum:

(1) Entity Level Control Assessment (ELCA)

(2) IT General Control (ITGC) assessment

(3) Risk and Control Assessment (RCA)

2.4.3.1 ENTITY LEVEL CONTROL ASSESSMENT (ELCA)

A standard set of entity level controls is established to correspond to key elements of Allianz Group's and the AzP's System of Governance and are applied globally, subject to appropriate local adjustments by the Company.

2.4.3.2 IT GENERAL CONTROLS (ITGC)

Similar to the role of entity level controls as a foundation upon which the entire internal control system is based, IT General Controls constitute core controls around development and operational IT processes, as well as the underlying IT infrastructure, provided to the whole enterprise from central IT units (e.g., networks, databases, operating systems and storage).

2.4.3.3 RISK AND CONTROL ASSESSMENT (RCA)

The RCA review is an extensive Risk Based Assessment to provide assurance over the operational effectiveness of 1st line controls to mitigate the key risks facing the Company. The various steps of the process may be categorized into three phases: the Scoping Phase, RCA Workshops Phase and Post (RCA) Workshop Activities Phase.

2.5 Internal Audit function

2.5.1 MISSIONS AND OBJECTIVES OF THE INTERNAL AUDIT FUNCTION

Organizationally, the Audit function of the Company is assigned to Allianz Partners SAS Audit Department, Allianz Partners SAS being designated by Autorité de Contrôle Prudentiel et de Résolution (ACPR) as holding company of the sub-group in accordance with the provisions of Paragraph 1 of Article L. 356-4 of the French Insurance Code. The Allianz Partners Internal Audit Function is thus a centralized function responsible for Internal Audit of the Company.

The Mission of Internal Audit is to enhance and protect Allianz Partners organizational value by providing risk-based and objective assurance, advice, and insight.

Internal Audit evaluates and contributes to the improvement of the adequacy, effectiveness, and efficiency of the organization's governance, risk management, and control processes through a systematic, disciplined, and risk-based approach, expertise and insights.

It helps the organization to ensure compliance with external and internal requirements and accomplish its objectives.

It supports the Board of Management and Audit Committee deliver on their obligation to ensure an appropriate and effective Internal Control System. Internal Audit provides reasonable assurance for the entire organization including outsourced areas and services.

The Internal Audit Function establishes a framework of audit related written principles and procedures. In this regard, Allianz Partners SAS Audit Policy serves as overarching policy for the Company and is mandatory and equally relevant for all legal entities within Allianz Partners.

The Allianz Partners Audit Policy, reviewed once a year by the Head of Allianz Partners Audit Department, is supplemented by the Standard for Internal Audit.

2.5.2 INDEPENDENCE AND OBJECTIVITY OF THE INTERNAL AUDIT FUNCTION

Internal Audit is an independent assurance function. Independence is the freedom from conditions that threaten the ability of Internal Audit to carry out its responsibilities in an un-biased manner. Independence is mainly achieved through accountability to the governing body, unfettered access to people, resources and data needed to complete its work, and freedom from bias, direct or indirect interference in the planning, scoping and delivery of audit services including the assessment and communication of results

Internal auditors assess all relevant circumstances in a balanced manner and do not allow their judgment to be influenced by their own interests or by interests of others. Neither the Head of Allianz Partners Internal Audit, nor internal auditors must take on additional roles and responsibilities outside of Internal Audit that may impair or appear to impair independence or the individual objectivity of the internal auditor. In particular, responsibility for operational tasks or controls must not be undertaken.

A reporting line is established to the Allianz Partners CEO and the Allianz Partners Audit & Risk Committee.

The Head of Allianz Partners Internal Audit has a functional reporting line to the Global Head of Internal Audit.

Internal Audit has a full and unrestricted right of information required to carry out its tasks, subject to legal limitations. The right of information includes access to all areas of the organization, documents, records, data, property and staff. This information must be handled with discretion and confidentiality.

The Head of Allianz Partners Internal Audit must have direct and unrestricted access to senior management.

The right of information also includes management's obligation to proactively provide Internal Audit with the information that is relevant to carry out its tasks. To exercise its right of information, Internal Audit is invited to important risk or governance related bodies of Allianz Partners such as the Finance and Risk Committee, the Financial Reporting and Disclosure Committee, the Integrity Committee and the Governance and Control Committee.

2.6 Actuarial function

2.6.1 OVERVIEW OF ROLE AND RESPONSIBILITIES

In line with regulatory requirements, AzP Corporate Actuarial (CA) contributes towards assessing and managing AzP's risks from an actuarial perspective. The role includes, but is not limited to, the activities of:

- Calculation and oversight of technical reserves for accounting and regulatory purposes
- Pricing and profitability oversight
- Technical actuarial support of business planning, reporting and result monitoring
- Expression of an opinion on the overall underwriting policy and on the adequacy of the reinsurance arrangements
- Contribution to the effective implementation of the risk management system

2.7 Outsourcing

2.7.1 OVERVIEW

The outsourcing of functions or services essential to the operation of an AzP entity directly affects our customers' interests. In order to appropriately safeguard these interests, certain principles and processes have to be observed in order to adequately assess, mitigate and control the risks associated with outsourcing and to ensure business continuity in case of adverse events or termination. To establish these principles and processes, thus setting a sound Group standard for outsourcing and ensuring compliance with Solvency II regulatory requirements, Allianz SE has established a Group Outsourcing Policy, complemented by local outsourcing policies and procedures.

2.7.2 GROUP OUTSOURCING POLICY

AWP Health & Life Board of Directors has decided to directly endorse the AzP Outsourcing policy. Therefore the company implements directly the requirements set out in the AzP policy.

The Group Outsourcing Policy (GOP) governs the outsourcing of functions or services to internal as well as external providers. Its main purpose is to determine the relevant processes and strategies for outsourcing at the Group level and to ensure compliance with regulatory requirements, while providing the necessary space for adjustments for local legal requirements. In particular, this includes key criteria for defining critical and important functions and services (CIFS) to be outsourced, for selecting, hiring, and monitoring providers, and for determining clear roles and responsibilities, control rights, and rules for the termination of outsourcing agreements.The GOP is mandatory and equally relevant across AzP Sub-group. As such the AzP Outsourcing Policy applies equally to all the entities and their respective subsidiaries or branches, but the position of the entities with regards to the policy will vary as the insurance undertaking will be in the position of outsourcing entity and the financial intermediary and the service company will be in the position of the service provider.

2.7.3 SCOPE OF TRANSACTIONS INCLUDED IN THIS REPORT

In the scope of this report are all the outsourcing agreements between AWP H&L with both internal and external providers which are considered material from an AzP Outsourcing Policy perspective. Agreements are considered material if:

- The agreement is considered as "Critical or Important Function or Service" outsourcing (CIFS),
- The agreement is considered "Key Function Outsourcing", i.e. the agreement concerns one of the following functions: Risk Management, Internal Audit, Compliance and/or Actuarial.

And/or

- The agreement is concluded with a Third Party Administrator for the management of a contract.

The following agreements are out of scope of this reporting:

- outsourcing agreements that are classified as simple outsourcing,
- outsourcing agreements that are out of AzP outsourcing Policy framework.

2.7.4 TRANSACTIONS AND PROVIDERS

By applying the above-mentioned criteria for in-scope transactions and companies, AWP H&L is reporting the following material CIFS and Key Functions agreements for outsourcing contracts valid from 01.01.2022 to 31.12.2022.

Within the AWP H&L there are 57 material outsourcing contracts (1 contract covering key functions and 56 CIFS contracts). The large majority of these is attributable to policy management. The majority of providers are located in Europe.

2.8 Any other disclosures

2.8.1 SYSTEM OF GOVERNANCE: ADEQUACY TO THE NATURE, SCALE AND COMPLEXITY OF THE RISKS

The adequacy and effectiveness of AWP H&L system of governance are subject to a regular review. The review takes place annually, or ad-hoc, if extraordinary circumstances occur (such as in case of larger organizational or regulatory changes). It may focus on selected review areas.

The responsibility for the review (including assessment) lies with the Board of Management of Allianz Partners SAS

The review of the System of Governance is a separate process and may not be substituted by specific control processes for a single element of the governance system.

As of 31.12.2022, AWP H&L Board of Directors has deemed the Company's System of Governance adequate to its nature, size and complexity.

RISK PROFILE

RISK PROFILE

3.1 Underwriting Risk

3.1.1 MEASURES TO ASSESS RISK

AWP H&L bears Health underwriting risk and Other Life underwriting risk.

Health underwriting risk exposure includes Health NSLT underwriting risk, Health SLT underwriting risk, and Health catastrophe risk, with allocated risk capital before diversification with other risk modules of € 172MN for NSLT Health, € 17MN for SLT Health, and € 18MN for Health Catastrophe. After aggregation, it totals up to € 187MN, before diversification with the other risk modules.

Life underwriting risk amounts to € 4MN.

3.1.2 RISK EXPOSURE

3.1.2.1 UNDERWRITING RISK HEALTH NSLT

AWP H&L's Non-life insurance business (NSLT Health) is exposed to premium risk related to the current year's new and renewed business as well as reserve risks related to the business in force. Commentary below covers AWP H&L's material Underwriting sub risk modules.

Premium risk

As part of AWP H&L's NSLT Health business operations, the company receives premiums from customers and provides insurance protection in return. Changes in profitability over time are measured based on loss ratios and their fluctuations. The company faces the risk that underwriting profitability is lower than expected. The volatility of the underwriting profitability measured over one year defines AWP H&L's premium risk.

Premium risk is actively managed by AWP H&L.

Assessing the risks as part of the underwriting process is a key element of the risk management framework. There are clear underwriting limits and restrictions in place across Allianz Partners and its related entities (which include AWP H&L) according to each business environments.

Reserve risk

The company estimates and holds reserves for claims resulting from past events that have not yet been settled. If the reserves are not sufficient to cover claims to be settled in the future due to unexpected changes, the company would experience losses. The volatility of past claims measured over a one-year time horizon defines AWP H&L reserve risk.

Premium risk is the key driver of the NSLT Health Underwriting Risks while the claims reserve are not as significant due to the short tail of NSLT Health businesses.

Please refer to sections 5.2.1.1 and 5.2.1.2 for detailed presentation of AWP H&L's exposures to NSLT Health Underwriting Risk.

3.1.2.2 UNDERWRITING RISK LIFE / HEALTH SLT

Underwriting risks in the Life/Health operations include mortality, disability, expense and longevity risks. Mortality, disability and expense risks are associated with the unexpected increase in the occurrence of death, disability or medical claims on the insurance products. Longevity risk is the risk that due to changing biometric assumptions, the reserves covering life annuities products might not be sufficient.

Due to effective product design and the diversity of our products, there were no significant concentrations of underwriting risks within our Life/Health business segment as of 31 December 2022.

Mortality risk

AWP H&L's Life business operations include Life lump sum contracts. Claims on these contracts are paid on death of policyholder. Reserves for these contracts are calculated assuming standard mortality rates. If mortality rates increase, this leads to an increase in reserves for this line of business.
Mortality risk calculates the increase in the reserves needed to cover the Life insurance contracts under the assumption that the mortality rates increase.

Disability risk

Health SLT reserves are calculated using various underlying assumptions. Increases in these assumptions would lead to an increase in Health SLT reserves.
Disability risk re-calculates Health SLT reserves assuming there is a flat increase in expenses and there is an increase in medical inflation.

Longevity risk

AWP H&L's Life and Health SLT business includes annuity business. These annuities are paid for as long as the claimant/dependent survives. Reserves for these contracts are calculated using standard mortality rates. If mortality rates decrease, reserves for this line would increase.
Longevity risk calculates the increase in reserves necessary to cover these annuities under these lower mortality rates.

Expenses risk

Life and Health SLT reserves include expenses such as claims handling. These expenses are calculated as a percentage of the total reserves. An increase in the expenses will lead to an increase in reserves.
Expense risk calculates the increase in reserves necessary if there is a flat increase in expenses and inflation is applied.

3.1.3 COLLATERAL (SOLD/REPLEDGED/PROVIDED)

Not applicable to AWP H&L.

3.1.4 INVESTMENT STRATEGY

Not applicable to AWP H&L.

3.1.5 RISK CONCENTRATION

Due to the product design and the diversity of AWP H&L's products, there is no significant concentration of Underwriting Risks within the Company's business segments at 31 December 2022.

In addition, any excessive risks that are over the Company's risk appetite are transferred and mitigated using external reinsurance agreements.

3.1.6 RISK MITIGATION

AWP H&L has a limited appetite on underwriting risk accumulation. In order to transfer and mitigate any excessive risks that are not within the Company's underwriting risk appetite, AWP H&L would enter into a reinsurance agreement with a highly rated reinsurer.

3.1.7 RISK SENSITIVITIES

AWP H&L has developed stress scenarios which are considered to be materially relevant to the Company's risk profile.

The Company's solvency position is analysed regarding the influence of plausible stress scenarios. The aim of this process is to illustrate the resilience of the Company's Solvency II ratio in the event that any of these scenarios occur on a standalone basis, and to assess the Company's risk bearing capacity.

Regarding Underwriting Risk, the below range of stress scenarios were discussed and approved during AWP H&L's board of Directors in October 2022.:

- A1. Business increase: Gross Written Premiums (GWP) and Net Earned Premium (NEP) planned growth rate are increased by 30%.
- A2. Underwriting loss: Attritional loss incurred increase is higher by a 1-in-10 years shock.

- A3. Reserve strengthening: A strengthening of 1-in-10 years on IFRS Provisions for Claims Outstanding and Unearned Premium Reserves.

As at December 31st 2022, AWP H&L would remain solvent after the impact of a business increase (scenario A1), but would fall insolvent in case of a large underwriting loss (scenario A2) or of a large reserve strengthening (scenario A3). The later scenarios would require implementation of remediation actions.

3.2 Market Risk

3.2.1 MEASURES TO ASSESS RISK

As an inherent part of AWP H&L insurance operations, premiums from customers are collected and invested in a variety of assets. The financial assets portfolio of AWP H&L is monitored and steered according to the "Prudent Person" principle, implemented within Allianz Partners. The Company's investment portfolio support future claims payment needs, and is monitored and steered on a regular basis to ensure diversification.

As the fair values of the investment portfolio depend on financial markets, which may change over time, AWP H&L is exposed to market risks.

3.2.2 RISK EXPOSURE

AWP H&L participates in Allianz Group Solvency Closing Process each quarter and calculates the market risk SCR via the statistics software provided by the Group.

As at December 31st 2022, AWP H&L is exposed to the following Market Risk sub-modules as per standard formula requirement in the latest Solvency II Delegated Regulation:

- Interest Rate Risk: shocks all assets and liabilities that are sensitive to the variation of interest rates:
  a) Assets: bonds and short-term investments,
  b) Liabilities: net of reinsurance premium and reserve Best Estimates.
- Spread Risk: considers government, corporate and secured bonds, Allianz cash pooling, loans and money market funds. Spread Risk capital requirement is assessed depending on the asset type, the rating and the modified duration of the exposed assets.
- Currency Risk: considers all assets and liabilities carried in a non-EURO currency, EURO being the reporting currency of AWP H&L. The valuation of assets and liabilities denominated in foreign currencies is produced on the basis of accounting data, restated where need be for valuations by the Best Estimates and the market values of financial assets.
- Property Risk: arises from the ownership by AWP H&L of the buildings which the company occupies in Dublin.
- Equity Risk: AWP H&L has no investment in equity. The equity risk capital requirement consists exclusively of exposure to the moveable property that the Company owns in its offices.
- Concentration Risk : considers all financial assets included in Spread and Property Risks, excluding participations.

Before diversification with other modules, the capital requirement at the end of 2022 for Market Risk is estimated at € 102MN.

3.2.3 COLLATERAL (SOLD/REPLEDGED/PROVIDED)

Not applicable to AWP H&L.

3.2.4 INVESTMENT STRATEGY

All AzP entities, including AWP H&L, follow a liability driven investment style. Financial investments are managed with consideration of the underwritten business and the resulting contractual obligations while considering the economic environment. In particular, AzP's investment strategy aims to follow the duration of its liability cash flows in a going concern logic, while ensuring an adequate level of liquidity and matching currencies between assets and liabilities.

AWP H&L has policies and standards in place to manage its assets in a prudent manner, compliant with its defined investment targets, the risk tolerances and the appetite as defined by the BoM. Most importantly, the following standards and rules apply:

- Allianz Standard for Insurance Investment Assets
- Allianz Standard for Investment Management Organization

- Allianz Functional Rules for ALM/ SAA
- Allianz Partners Functional Rule for Eligible Investments
- Allianz Partners Rule for a New Financial Instruments Process
- Allianz ESG Functional Rule for Investments
- Allianz Functional Rule for Asset Manager Management
- Allianz Functional Rules for Derivatives

Furthermore, investment activities are centralized at AzP Sub-Group level, within the AzP Corporate Finance & Investment Department. The application of Allianz investment standards and rules and the centralization of responsibility contribute to maintaining the safety, availability, and liquidity of AWP H&L's assets with the appropriate focus and level of professionalism.

The implementation of the investment strategy is aligned between the local management and operations on one side and the central function on the other side, including the BoM of AzP SAS and AzP Sub-Group's governance bodies, most importantly the AzP Finance Committee (FICO), where AWP H&L is a voting member. The FICO is governing the Investment Management of AzP Sub-Group and its affiliated companies including AWP H&L.

Compliant with the rules and targets of the investments activities, risks are managed in the following way:

- The portfolio duration is medium term reflecting the profile of the liabilities. Only a smaller part of AWP H&L's assets have high duration in order to cover the long tail Health SLT business. Consequently, on average the investment portfolio is invested in medium term instruments.
- Liquidity is ensured by a high level of highly rated sovereign bonds and sufficient liquid funds to cover operative and business requirements. The latter includes bank deposits and cash for the short tail business. AWP H&L seeks to buy assets in the same currency as defined by its liabilities and has established processes to ensure the adjustment of the FX exposures by rebalancing its assets as appropriate. For this purpose, FX forwards are also used.

The guidelines are managed and monitored on a central level by the AzP Corporate Finance & Investment and the Risk Management departments and are approved by the AzP FICO. While the AzP FICO defines the strategic asset allocation (SAA), and sets standards and limits for all AzP's related entities, the Chief Investment Officer (CIO) with the support of the local Finance function, oversees the investment process, steers the implementation of the approved SAA, reviews capital investments and thus optimizes the asset allocation and the financial position of the Company within the framework set by the AzP FICO.

3.2.5 RISK CONCENTRATION

Cf. section 3.2.2 Market risk exposure.

3.2.6 RISK MITIGATION

In order to limit the impact of financial market changes and to ensure that assets adequately back policyholder liabilities, various measures are in place. One of these is asset/liability management which is linked to the risk capital framework and the risk appetite defined by the board. The latter incorporates the consideration of the risks as well as the required returns arising from the insurance obligations and business targets. In addition, AWP H&L manages part of its FX risk using FX Forwards with the target to better align the assets portfolio and the liabilities and mitigate the impact of currency rate movements.

The AzP processes foresee a comprehensive monitoring of all investments, led by the AzP CIO as the first line of defence. Relevant limits and exposures are supervised by the risk department as second line of defence. In case of a limit breach the investment management function has to immediately report on this breach. If necessary countermeasures have to be implemented.
Risk mitigating measures include:

- Limits: Definition of maximum exposure limits for market risk (duration, asset classes), credit risk (down to single name level), FX (maximum exposure), liquidity (minimum level).
- Diversification: on a macro level by extending the universe of investible assets (entering different markets) and on a micro level by enforcing an appropriate mix and dispersion of the portfolio.
- Centralization: the central management of investment assets allows to pool assets and achieve broader diversification and economies of scale.
- Professionalization: All bond investments are managed by professional asset managers which act under the guidance and control of the CIO within the risk framework defined by the FICO and the BoM. AzP Sub-Group and AWP H&L benefit from the additional risk control and compliance processes on the level of the asset managers and their proximity to the financial markets.

- Independent risk oversight and separation of duties: while the CIO develops the strategy, steers its implementation using asset managers and sets limits for cash investment which are managed by local finance departments, the CRO controls the risks on a global level.

Overall, the risks are controlled both on a global level and operationally on each portfolio level.

3.2.7 RISK SENSITIVITIES

Several sensitivity analyses were carried out:

- A shift up by 100 basis points of the interest rate yield curve;
- A shift up by 50 basis points of the interest rate yield curve;
- A shift down by 100 basis points of the interest rate yield curve;
- A shift down by 50 basis points of the interest rate yield curve;
- A shift up of the spread curve by 50 basis points;
- A shift up by 20% of the currencies AED, AUD, GBP, CNY, CHF, KWD and USD against EUR
- A shift down by 20% of the currencies AED, AUD, GBP, CNY, CHF, KWD and USD against EUR

Sensitivity analyses from 2022 ORSA show that, in the majority of the above scenarios, AWP H&L would remain solvent after the impact of each of these stresses, without the need for any remediation plan. In the case of a shift up by 100 basis points of the interest rate yield curve, or a shift up by 20% of the currencies AED, AUD, GBP, CNY, CHF, KWD and USD against EUR, AWP H&L would fall insolvent, and would require implementation of remediation actions.

3.3 Credit Risk

Allianz Group monitors and manages credit risk exposures and concentrations to ensure it is able to meet policyholder obligations when they are due. This objective is supported by the standard formula Counterparty Default Risk and the CRisP process (see section 3.3.1.2) Allianz Group-wide credit data is collected following a centralized process and using standard obligor and obligor group mapping.

AWP H&L measures its credit risk as the potential economic loss in the value of our portfolio due to changes in the credit quality of our counterparts or the inability or unwillingness of the counterparty to fulfil contractual obligations. Counterparty default risk arises from our cash positions, derivatives, other debtors – as well as from reinsurance recoverables and co-insurance partners.

By managing credit risk on the basis of limit management and credit risk modelling frameworks, a well-diversified credit portfolio has been composed. The credit portfolio is stable, even under adverse market conditions.

The risk capital before diversification with other risk categories allocated to credit risk amounts to € 41MN as at Q4 2022.

3.3.1 MEASURES TO ASSESS RISK

3.3.1.1 COUNTERPARTY DEFAULT RISK

Counterparty default risk for AWP H&L is assessed through two types of risks, evaluated following the standard formula from the latest Solvency II Delegated Regulation:

- Risk related to reinsurance recoverables and receivables and financial liquidity, of which the counterparties are identifiable (Type 1);
- Risk assessed globally on other receivables, with a particular penalty for receivables from intermediaries overdue for more than 3 months (Type 2).

3.3.1.2 CRISP

AWP H&L quantifies its exposure to single obligors / obligor groups and support mitigating actions and external and regulatory disclosure.

AWP H&L uses CRisP as a tool providing timely transparency on balance sheet risks and the possibility of communicating risk management decisions quickly and broadly through the Company.

CRisP process ensures:
- Effective limitation and monitoring of all counterparties and all material asset types (cash, bonds, equity), with uniform data requirements and standardized data across the Allianz Group;
- Efficient and robust processes: automatic or manual limit updates, notification services for communication of updates and risk classification;
- Support to investment management: flexible limit usage across different asset classes, and limit transfer between Allianz OEs or AIM HUBs within Allianz Partners.

The limits are defined by local OE CRO, in the case of AWP H&L, Allianz Partners' CRO.

3.3.2 RISK EXPOSURE

SII Counterparty Default Risk in standard formula assesses the capital requirement related to the risk generated by receivables and debts contracted with counterparties not taken into account in Market Risk.

As at December 31st 2022, the counterparty default risk exposure of AWP H&L are:

Type 1 exposures:
- Treasury or cash deposits,
- Best estimates of reinsurance recoverables,
- Reinsurance receivables,
- Derivatives,
- Deposits to cedants.

These data are detailed by single name counterparty, with the rating of the corresponding parent company.

The valuation also includes the risk mitigation effects related to reinsurance (RM reinsurance) and the FX forward swap (RM swap), with reference to Article 192 of the Delegated Acts. Collateral is the deposits from reinsurance arising from Pan-European Quota-Share with Allianz Reinsurance.

Type 2 exposures:
- Receivables from policyholders and intermediaries
- Other receivables (including any relevant off-balance sheet items)

AWP H&L treats any individual or legal entity who collects the premiums on behalf of the Company as an intermediary, i.e. policyholders and fronting agents.

The estimated share of receivables from intermediaries overdue by more than 3 months is based on the quarterly monitoring of AWP H&L doubtful debts.

3.3.3 COLLATERAL (SOLD/REPLEDGED/PROVIDED)

Not applicable to AWP H&L.

3.3.4 INVESTMENT STRATEGY

AWP H&L bond portfolio is managed by professional asset managers under the control and guidance of the AzP Corporate Finance & Investment Department and after appropriate alignment with the Company's local management. The investment targets and limitations are approved by the FICO. With the exception of the limited amount of bonds held in the "Emerging Treasuries" mandate, AWP H&L only invests in highly rated bonds whereby a minimum share is held in government, government related and securitized bonds.

In general, the local finance functions / branches manage only cash and cash equivalent including bank deposits. AzP standards stipulate that the companies have to use best-in-class banks operating in their respective local markets. Maximum exposure limits must be approved by the Corporate Finance & Investments department.

3.3.5 RISK CONCENTRATION

For all AzP entities including AWP H&L, AzP Corporate Finance & Investment Department has successfully reduced term deposits and cash so as to avoid concentrated bank exposures, and replaced them by a diversified investment portfolio bonds, where possible. One-third of financial investments consist of government bonds. The average rating of the resulting bond portfolios is A+. Each corporate bond needs to be investment grade at time of purchase (with the exception of the limited amount of bonds held in the "Emerging Treasuries" mandate), they together need be well diversified, and need to be traded and managed by a professional asset manager.

3.3.6 RISK MITIGATION

AzP has defined counterparty limits per issuer and controls their respective exposures, following Allianz Group Risk standards and using Allianz Group tools.

AWP H&L only holds cash accounts with highly rated banks and takes on reinsurance with highly rated reinsurers.

AWP H&L monitors the receivables overdue amounts in the Financial Administration Team for the Irish branch and the Operational Team for Paris head office on a monthly basis. This leads to increased management focus and recoveries on specific contracts with overdue balances.

Management of concentration risk starts on the bond portfolio level; typically, any single corporate issuer cannot represent more than 4%, 3%, 2% or 1% respectively of a portfolio in any investment mandate if it is rated AAA, AA, A or BBB. Credit risk arising from cash positions at banks is also limited and monitored. The exposure is included in our credit risk oversight and limit system. In the past years, AzP has reduced cash exposure in banks and replaced it by higher contribution to cash pool of Allianz or by increasing the bond portfolio. This cash pool invests into a diversified portfolio with overall low risk profile representing a AA risk and enjoying a performance guarantee by Allianz SE, so that for AzP it is risk free.

Credit risk arising from business activities in insurance and in services is monitored:
- against a previous scoring of potential corporate clients,
- against a strict follow up of receivables with clear rules of impairment.

3.3.7 RISK SENSITIVITIES

Sensitivity analyses show that, after an increase in receivables from intermediaries in overdue greater than 90 days by 5% of total receivables, AWP H&L remains solvent without the need for any remediation plan.

3.4 Liquidity Risk

Liquidity risk is defined as the risk that requirements from current or future payment obligations cannot be met or can only be met on the basis of adversely altered conditions. This comprises insufficient liquidity resources to meet payment obligations under current as well as potential future conditions (stress scenarios). Liquidity risk also comprises the funding risk, which is the risk that AWP H&L is not able to obtain sufficient funding in due time and on favourable terms. It can arise from a) external events such as disruptions in the markets for certain financial instruments, and b) from internal events such as the loss of sufficient creditworthiness.

Liquidity risk can arise primarily if there are mismatches in the timing of cash-flows on the asset and liability side.

3.4.1 MEASURES TO ASSESS RISK

Liquidity risk is monitored quarterly within the Allianz Group and its related entities (including Allianz Partners), in accordance with the Allianz Standard of Liquidity Risk Management, which outlines the general requirements and principles.

In order to evaluate, monitor and steer the current and future liquidity situation of Allianz, all legal entities (above a given threshold) provide a liquidity risk management report, presenting the liquidity situation and stress analyses.

Allianz Partners and AWP H&L Risk Management Department monitor the liquidity risk on a quarterly basis, in accordance with Allianz Group methodology.

3.4.2 RISK EXPOSURE

The majority of AWP H&L's portfolio is composed of liquid assets. Given the structure of the portfolio and its risk profile, the Company has a low sensitivity to market and premium & claim stresses.

In the base case, AWP H&L has a low liquidity intensity ratio as at December 31st 2022 and holds a certain amount of cash and cash equivalent that can easily be used to cover some unexpected expenses.

3.4.3 COLLATERAL (SOLD/REPLEDGED/PROVIDED)

Not applicable to AWP H&L.

3.4.4 LIQUIDITY MANAGEMENT STRATEGY

AWP H&L maintains a high liquidity position which enables it to respond to potential exceptional adverse developments. In addition, the bond portfolio is composed of highly liquid securities which can be sold in the market place at short notice even in a crisis scenario. Cash positions are continuously monitored by AWP H&L Treasury Team, to meet payment requirements and include an adequate safety margin. At AzP Subgroup level, the Finance Committee of Allianz Partners group reviews regularly the cash position of AWP H&L. The liquidity risk is considered as low .

To manage short term liquidity, AWP H&L participates in the Allianz SE cash pool, whereby excess cash is invested in the cash pool managed by Allianz SE. Allianz SE invests into high quality assets, and moreover Allianz SE guarantees a minimum return on the liquidity invested into the cash pool, and consequently, the exposure is considered risk free. AWP H&L can withdraw their invested funds any time on a daily basis. In addition, AWP H&L and its affiliates, benefit from an overdraft facility granted by Allianz SE to cover short term liquidity requirements..

As of December 31st, 2022, the total aggregated overdraft limit granted to AWP H&L and its affiliates amounted to 15mm€.

3.4.5 RISK CONCENTRATION

Not applicable to AWP H&L.

3.4.6 RISK MITIGATION

The risk department runs independent stress tests and the impact of adverse business and market scenarios on the financial assets. Mitigation measures have to be prepared and submitted to the Allianz Group once a limit breach occurred under at least one scenario. Depending on the size of the impact, different escalation levels are in place which may require the risk committees to be involved.

If certain limit breaches occur, the remediation plan has to be attached to the liquidity risk management report. A remediation plan includes:

- Overview of liquidity shortfalls that need to be closed,
- Definition of remediation actions including planned time frame of execution, or a detailed explanation why the risk is accepted,
- Explanation of negative impacts of the respective actions and the residual risks which may remain after the actions are put in place,
- The expected quantitative impact on the liquidity risk position,
- Potentially a recommendation for acceptance of residual risks.

AWP H&L manages a buffer of cash and cash equivalents. Countermeasures can be extended if necessary to the sale of liquid assets which represents the vast majority of the portfolio.

3.4.7 RISK SENSITIVITIES

AWP H&L holds a highly liquid portfolio allowing effective use as a countermeasure in case of unexpected cashflow needs.
In a worst case scenario of a combined stress in the financial markets and in the insurance markets, AWP H&L still has a comfortable buffer of cash to meet its needs.

3.5 Operational Risk

Operational risks represent losses resulting from inadequate or failed internal processes, from personnel and systems, or from external events – including legal and compliance risk, but excluding losses from strategic and reputational risk.

3.5.1 MEASURES TO ASSESS RISK

Allianz Partners and AWP H&L are compliant with Allianz's Group-wide operational risk management framework that focuses on the early recognition and proactive management of operational risks in all first line of defence functions. The framework defines roles and responsibilities, risk processes and methods and has been implemented throughoutoperating entities.

Allianz Partners risk management as the second line of defence ensure this framework. They identify and evaluate relevant operational risks and control weaknesses via regular and consistent communication and collaboration with the 1st line of defense and their network of Risk and Internal Control Coordinators. Furthermore, all operational risk events above € 10 k are reported in a central risk event database (Allianz web-based application ORGS – Operational Risk and Governance System) and major events are discussed in the Allianz Partners Risk Committee.

A root cause analysis of major events is carried out to ensure comprehensive and timely notification to senior management so they can implement measures aimed at avoiding or reducing future losses.

The Company's Business Continuity and Crisis Management framework strives to protect critical business functions from these shocks and enables them to carry out their core tasks on time and at the highest standard.

3.5.2 RISK EXPOSURE

The risk capital allocated to operational risk amounts is € 63MN as at December 31st 2022, in accordance with the standard formula. The operational risk capital is calculated on a factor-based approach based on earned premium volume of the previous 24 months.

In addition, Operational Losses are consistently monitored via the Operational Risk Event Capture (OREC) process.

3.5.3 COLLATERAL (SOLD/REPLEDGED/PROVIDED)

Not applicable to AWP H&L.

3.5.4 INVESTMENT STRATEGY

Not applicable to AWP H&L.

3.5.5 RISK CONCENTRATION

Not applicable to AWP H&L. We do not anticipate any future risk concentrations over the plan years.

3.5.6 RISK MITIGATION

Allianz Partners and AWP H&L use various risk mitigation techniques to mitigate operational risk arising from non-compliance or other misconduct. Written policies detail the Allianz Partners' approach towards the management of these areas of risk. The implementation and communication of those compliance programs are monitored by the Allianz Partners Compliance function. In close cooperation with the risk function, the risk-mitigating measures are taken and enforced by a global network of dedicated compliance officers throughout the AzP and its entities. Please refer to section 2.4 Internal Control System for more detail.

3.5.7 RISK SENSITIVITIES

Sensitivity analyses from the 2022 ORSA has shown that an operational risk loss event (fine in the event of a conduct risk event of a class action, or a tax litigation) AWP H&L remains solvent without the need for any remediation plan.

3.6 Other Material Risk

All information relating AWP H&L's material risks are included in the sections above.

Based on the information available as the writing of this report, AWP H&L is expected to be sufficiently capitalized and compliant with both the regulatory Solvency Capital Requirement and Minimum Capital Requirement. However, the recent international developments caused disruptions in global supply chains, leading to a rise in global inflation and economic instability. To this date, Allianz Partners and its affiliates managed to maintain a mild impact of the inflation on its business. We are carefully monitoring the development of the situation, and are managing our portfolios to ensure that AWP H&L has sufficient resources to meet its solvency capital needs.

VALUATION FOR SOLVENCY PURPOSES

VALUATION FOR SOLVENCY PURPOSES

4.1 Comparison of MVBS figures between 2022 and 2021

The following table provides an overview of variances between the 2022 and 2021 MVBS Assets and Liabilities.

€MN	MVBS 31.12.2021	Valuation Difference	MVBS 31.12.2022
Deferred acquisition costs	0	0	0
Intangible Assets	0	0	0
Deferred tax assets	3	26	29
Pension benefit surplus	0	0	0
Property, plant and equipment held for own use	11	0	11
Investments (other than assets held for index/unit linked)	923	-21	903
Participations	0	0	0
Equities	0	0	0
Bonds	921	-21	900
Investment funds	0	0	0
Derivatives	2	1	3
Deposits other than cash equivalents	0	0	0
Loans and mortgages	112	5	117
Other loans and mortgages	112	5	117
Reinsurance recoverables	469	122	591
Non-life and health similar to non-life	417	123	540
Life and health similar to life (excl. health, index-linked and unit-linked)	52	-1	51
Life index-linked and unit-linked	0	0	0
Deposits to cedants	9	4	13
Insurance and intermediaries receivables	29	129	158
Reinsurance receivables	1	8	9
Receivables (trade, not insurance)	39	18	57
Cash and cash equivalents	33	11	44
Any other assets not elsewhere shown	0	0	1
Total assets	**1,629**	**302**	**1,932**

€MN	MVBS 31.12.2021	Valuation Difference	MVBS 31.12.2022
Technical provisions	685	124	810
Technical provisions – non-life	384	173	557
Technical provisions - health (similar to non-life)	384	173	557
Technical provisions – life (excluding index-linked and unit-linked)	302	-49	253
Technical provisions - health (similar to life)	227	-43	184
Technical provisions – life (excluding health and index-linked and unit-linked)	75	-6	69
Provisions other than technical provisions	20	8	29
Pension benefit obligations	1	0	1
Deposits from reinsurers	428	184	612
Deferred tax liabilities	7	-7	0
Derivatives	0	0	0
Financial liabilities other than debts owed to credit institutions	1	0	1
Insurance and intermediaries payables	24	0	25
Reinsurance payables	0	0	0
Payables (trade, not insurance)	9	1	9
Any other liabilities, not elsewhere shown	38	51	89
Total liabilities	**1,215**	**360**	**1,575**
Excess of assets over liabilities	**414**	**-58**	**357**

4.1.1 DEFERRED TAX ASSETS

Increase of EUR 26MN. This increase is due to an increase in the IFRS deferred Tax asset amount in 2022 in comparison to 2021 driven primarily by the decrease of unrealize\d gains and losses on afs bonds.

4.1.2 INVESTMENTS OTHER THAN FOR ASSETS HELD FOR INDEX/UNIT LINKED

Decrease of EUR 21MN. The change is mainly due to a decrease ian the stock of Government Bonds EUR 1MN and a decrease in Corporate Bonds EUR 20MN.

4.1.3 REINSURANCE RECOVERABLES

Net increase of EUR 122MN. This is primarily due to an increase in the amounts being ceded to Allianz Re Dublin under the quota share arrangement for medical expense insurance which has been in place since January 2020. This increase is due to growth in the medical expense insurance portfolio and an increase in the cession rate for 2023 accident year. For further details please refer to Section 4.4 Technical Provisions

4.1.4 DEPOSITS TO CEDANTS

Net increase of EUR 4MN. An additional deposit of EUR 4.7MN was put in place in 2022 on behalf of our cedant.

4.1.5 LOANS AND MORTGAGES

Net increase of EUR 5MN. There were additional Investments in Mortgages of EUR 35M. This increase was offset by a reduction (€30MN) in Cashpool balances held with Group.

4.1.6 INSURANCE AND INTERMEDIARIES RECEIVABLES

Net increase of EUR 129MN. The increase is due to the expansion of our medical expense line of business in 2022 for our fronter arrangements. During 2022 we experienced growth in our existing medical portfolios for NextCare and Dublin and we also expanded due to the acquisition of new business in Asia and the Middle East.

4.1.7 REINSURANCE RECEIVABLES

Net increase of EUR 8MN. Due to a reclassification in 2022 between assets and liabilities as part of MVBS closing adjustments and an adjustment made for commission receivable from reinsurers on ceded business for Pipeline premium adjustment.

4.1.7.1 RECEIVABLES (TRADE, NOT INSURANCE)

Net increase of EUR 18MN. There was a movement of EUR 18MN from prior year. This is due to the receivable of internal TPA's and AZ Fronter fees which will be settled in 2023 .

4.1.8 CASH & CASH EQUIVALENTS

Net increase of EUR 11MN. The increase in Cash & Cash Equivalents of EUR 11MN is driven by is driven by new business growth in 2022.

4.1.9 TECHNICAL PROVISIONS NON-LIFE

Net increase of EUR 173MN. The increase of Non-Life Technical Provisions is predominately due to the medical expense portfolio which has experienced growth over several regions and in particular in the Nextcare and Dublin portfolio. This is in part due to the acquisition of business in Asia and Middle East previously insured by Aetna. For further details please refer to section 4.4 Technical Provisions.

4.1.10 TECHNICAL PROVISIONS LIFE (EXCLUDING INDEX-LINKED AND UNIT-LINKED)

Net decrease of EUR 49MN. Decreases are observed in the Dublin life business as well as in the Health SLT business in Paris primarily due to movements in the yield curves resulting in an increase in the discount impact on this long tailed business. Additionally the Health SLT business in Paris continues to decline as currently in run-off. For further details please refer to section 4.4 Technical Provisions.

4.1.11 PROVISIONS OTHER THAN TECHNICAL PROVISIONS

Net increase of EUR 8MN. The increase of EUR 8MN is mainly due to an increase in employee provisions.

4.1.12 DEPOSITS FROM REINSURERS

Net increase of EUR 184MN. The EUR 184MN is due an increase in our funds withheld balance outstanding as part of Quota Share agreement with Allianz RE. This movement is largely linked to the increase in Reinsurance Recoverables shown above. For further details please refer to Section 4.4 Technical Provisions. There was also an increase in the reclassification amount from reinsurance payables to funds withheld in respect of the balance unsettled with Allianz Re.

4.1.13 ANY OTHER LIABILITIES NOT ELSEWHERE SHOWN

Net increase of EUR 51MN. The main driver of the increase is a result of an increase in inter group recharges relating to controllable expenses and an increase in commissions payable to reinsurers.

4.2 Reconciliation of differences between French GAAP and MVBS

AWP H&L prepares its financial statements under French GAAP.

In order to compare French GAAP and Solvency II figures, the original French GAAP data needs to be remapped to the Market Value Balance Sheet (MVBS) line-item structure.

The following table provides an overview of the reconciliation between "French GAAP as published re-mapped to MVBS line items" to MVBS.

The differences between the French GAAP values and the MVBS values are explained further in this report for each line item.

€MN As at December 2022	FGAAP as published re-mapped to MVBS line items	Valuation Difference	MVBS
Deferred acquisition costs	25	-25	0
Intangible Assets	49	-49	0
Deferred tax assets	0	29	29
Pension benefit surplus	0	0	0
Property, plant and equipment held for own use	7	4	11
Investments (other than assets held for index/unit linked)	991	-89	903
Participations	0	0	0
Equities	0	0	0
Bonds	989	-89	900
Investment funds	0	0	0
Derivatives	3	0	3
Deposits other than cash equivalents	0	0	0
Loans and mortgages	126	-9	117
Other loans and mortgages	126	-9	117
Reinsurance recoverables	731	-140	591
Non-life and health similar to non-life	672	-132	540
Life and health similar to life (excl. health, index-linked and unit-linked)	59	-8	51
Life index-linked and unit-linked	0	0	0
Deposits to cedants	13	0	13
Insurance and intermediaries receivables	889	-731	158
Reinsurance receivables	48	-39	9
Receivables (trade, not insurance)	57	0	57
Cash and cash equivalents	43	1	44
Any other assets not elsewhere shown	3	-2	1
Total assets	**2,983**	**-1,051**	**1,932**

€MN As at December 2022	FGAAP as published re-mapped to MVBS line items	Valuation Difference	MVBS
Technical provisions	1,637	-827	810
Technical provisions – non-life	1,514	-958	557
Technical provisions - health (similar to non-life)	1,514	-958	557

Technical provisions – life (excluding index-linked and unit-linked)	123	130	253
Technical provisions - health (similar to life)	0	184	184
Technical provisions – life (excluding health and index-linked and unit-linked)	123	-53	69*
Provisions other than technical provisions	29	0	29
Pension benefit obligations	1	(0)	1
Deposits from reinsurers	518	94	612
Deferred tax liabilities	0	(0)	0
Derivatives	0	(0)	0
Financial liabilities other than debts owed to credit institutions	0	1	1
Insurance and intermediaries payables	128	-103	25
Reinsurance payables	132	-132	0
Payables (trade, not insurance)	11	-2	9
Any other liabilities, not elsewhere shown	100	-11	89
Total liabilities	**2,555**	**-980**	**1,575**
Excess of assets over liabilities	**427**	**-71**	**357**

4.3 Valuation of assets

The asset classes described are the same as used in the Solvency II balance sheet "MVBS". The aggregation is based on the nature and function of assets and their materiality for solvency purposes. The following table shows the amount of assets according to MVBS as of 31 December 2022 compared to French GAAP realigned to MVBS.

Valuation of assets according to MVBS

€MN as of December 2022	FGAAP as published re-mapped to MVBS line items	Valuation Difference	MVBS
Deferred acquisition costs	25	-25	0
Intangible Assets	49	-49	0
Deferred tax assets	0	29	29
Pension benefit surplus	0	0	0
Property, plant and equipment held for own use	7	4	11
Investments (other than assets held for index/unit linked)	991	-89	903
Participations	0	0	0
Equities	0	0	0
Bonds	989	-89	900
Investment funds	0	0	0
Derivatives	3	0	3
Deposits other than cash equivalents	0	0	0
Loans and mortgages	126	-9	117
Other loans and mortgages	126	-9	117
Reinsurance recoverables	731	-140	591
Non-life and health similar to non-life	672	-132	540
Life and health similar to life (excl. health, index-linked and unit-linked)	59	-8	51
Life index-linked and unit-linked	0	0	0
Deposits to cedants	13	0	13
Insurance and intermediaries receivables	889	-731	158
Reinsurance receivables	48	-39	9
Receivables (trade, not insurance)	57	0	57
Cash and cash equivalents	43	1	44
Any other assets not elsewhere shown	3	-2	1
Total assets	**2,983**	**-1,051**	**1,932**

4.3.1 DEFERRED ACQUISITION COSTS

Deferred acquisition costs are acquisition costs relating to contracts in force at the balance sheet date which are carried forward from one reporting period to subsequent reporting periods, relating to the unexpired periods of risks under French GAAP.

In contrast to French GAAP, the MVBS does not recognise an asset for deferred acquisition costs. For further details, please refer to the section on "technical provisions".

4.3.2 DEFERRED TAX ASSETS (DTA)

Deferred taxes are not recognized under French GAAP.

4.3.3 INTANGIBLE ASSETS

Intangible assets are non-monetary assets without physical substance. They are only recognized in the MVBS when they are separable and there is evidence of exchange transactions for the same or similar assets, indicating it is saleable in the market place. They are measured at fair value with their market price.
For AWP H&L, we do not recognize any intangible assets in MVBS.

4.3.4 PROPERTY, PLANT AND EQUIPMENT HELD FOR OWN USE

Property, plant and equipment (PPE) held for own use includes tangible assets which are intended for permanent use and are property held by the company for its own use. Property, plant and equipment are measured at fair value for MVBS purposes.

Property, plant and equipment are measured at amortized cost under French GAAP in contrast to the fair value methodology for the MVBS. There is no material difference between the two valuation approaches for 2022.

4.3.5 INVESTMENTS (OTHER THAN ASSETS HELD FOR INDEX-LINKED AND UNIT-LINKED FUNDS)

Investments are measured at fair value for MVBS purposes whereas under French GAAP, they are measured at amortized cost. When quoted prices in active markets are available for the valuation of investments, those prices are used for the measurement under Solvency II. An active market is defined as a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

An active market is a market where all of the following conditions exist:
- The items traded within the market are homogeneous;
- willing buyers and sellers can normally be found at any time; and
- prices are available to the public.
- If quoted prices in active markets for the investments are not available, other valuation methods are used. These valuation techniques are consistent with the valuation techniques listed in IFRS 13 and in the Solvency II guidance and include:
- Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach: Amount that would currently be required to replace the service capacity of an asset (replacement cost).
- Income approach: Conversion of future amounts such as cash flows or income to a single current amount (present value technique).
- In each MVBS line for the investments, the valuation techniques used are described below:
- Estimates and assumptions are particularly significant when determining the fair value of financial instruments for which at least one significant input is not based on observable market data. The availability of market information is determined by the relative trading levels of identical or similar instruments in the market, with emphasis placed on information that represents actual market activity or binding quotations from brokers or dealers.
- The degree of judgment used in measuring the fair value of financial instruments closely correlates with the level of non-market observable inputs. AWP H&L uses a maximum of observable inputs and a minimum of non-market observable inputs when measuring fair value. Observability of input parameters is influenced by various factors such as the type of financial instrument, whether a market is established for the particular instrument, specific transaction characteristics, liquidity, and general market conditions. If the fair value cannot be measured reliably, amortized cost is used as a proxy for determining fair values.

The financial assets carried at fair value are classified as level 1 of the fair value hierarchy with the exception of Loans and Mortgages which are classified as level 3 of the fair value hierarchy.

4.3.6 HOLDINGS IN RELATED UNDERTAKINGS, INCLUDING PARTICIPATIONS

Holdings in related undertakings, including participations means the ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking according to Article 13(20) of the Solvency II Directive. The consolidated financial data for the computation of the Group Solvency according to Article 335 of the Delegated Act (EU) 2015/35 includes:

- Full consolidation of data of all the insurance or reinsurance undertakings, third-country insurance or reinsurance undertakings, insurance holding companies, mixed financial holding companies and ancillary services undertakings which are subsidiaries of the parent undertaking as well as special purpose vehicles as described in Article 335 (1) (a) and (b) of the Delegated Act (EU) 2015/35,

- Holdings in related insurance or reinsurance undertakings which are not subsidiaries of the parent undertaking as described in Article 335 (1) (d) of the Delegated Act (EU) 2015/35,
- Holdings in related undertakings of other financial sectors as described in Article 335 (1) (e) of the Delegated Act (EU) 2015/35,
- Other related undertakings as described in Article 335 (1) (f) of the Delegated Act (EU) 2015/35, and
- Insurance and reinsurance undertakings or insurance holding companies that is included via the deduction and aggregation method (if a combination of methods is used).

Participations in the following undertakings are valued at zero:

- Undertakings that are excluded from the scope of the group supervision under Article 214(2) (a) of the Solvency II Directive 2009/138/EC.
- Undertakings that are deducted from the Own Funds eligible for the group solvency in accordance with Article 229 of the Solvency II Directive 2009/138/EC.
- Participations also include investments in associated entities and joint ventures held by a fully consolidated entity included in point 1 above. Those investments are included in the Group MVBS under the materiality and proportionality principle as follows:
- The parent of an associate or joint venture which is a regulated insurance company within the EEA, an insurance holding company within the EEA or a material insurance (holding) company outside the EEA reports the investment in the MVBS according to the adjusted equity method;
- The parent of an associate or joint venture which is an immaterial insurance (holding) company outside the EEA reports the investment in the MVBS with a zero value.

The parent of an associate or joint venture which is a regulated Pension Funds, Banking or Asset Management reports the investment in the MVBS according to the equity method.

The parent of an associate or joint venture which is an insurance company outside the EEA regulated in an equivalent regime reports the investment in the MVBS according to the equity method.

On 1 November 2021, the 100% participation in Hauteville Insurance Company ("HIC"), a Guernsey incorporated entity ceased to exist as the Company was closed and all assets and liabilities were transferred to AzP H&L S.A.

4.3.7 BONDS

This category includes government and corporate bonds. Government bonds are bonds issued by public authorities, e.g., central governments, supra-national government institutions, regional governments or municipal governments. Corporate bonds include bonds issued by corporations and covered bonds which are backed by cash flows from mortgages or public sector loans.

Under Solvency II rules, fair value is adopted mainly determined using the market approach. Primary inputs to the market approach are quoted prices for identical or comparable assets in active markets.

The difference in valuation results from the fact that bonds are measured at amortized cost under French GAAP while they are shown at their fair value in the MVBS.

4.3.8 DERIVATIVES

Derivatives are financial instruments that have values based on the expected future price movements of the assets to which they are linked. Derivatives with positive values are reported on the asset side.

The fair value is mainly determined based on the income approach using present value techniques and the Black-Scholes-Merton model. Primary inputs to the valuation include volatilities, interest rates, yield curves, and foreign exchange rates observable at commonly quoted intervals.

There is no difference between French GAAP and MVBS values.

4.3.9 LOANS AND MORTGAGES

Loans and mortgages include "loans to individuals" and "other loans". Loans and mortgages are financial assets created when creditors lend funds to debtors, with or without collateral, including group cash pools. All loans and mortgages are measured at amortized cost under French GAAP in contrast to the market value methodology for the MVBS.

4.3.10 DEPOSITS OTHER THAN CASH EQUIVALENTS

Deposits other than cash equivalents include deposits other than transferable deposits, i.e., they cannot be used to make payments at any time and they are not exchangeable for currency or transferable deposits without any kind of significant restriction or penalty. Those short-term investments are measured at nominal amount as the nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

The fair value for deposits other than cash equivalents is determined by market prices. While Deposits are valued at amortized cost under French GAAP. There were no deposits held at the end of 2022.

4.3.11 REINSURANCE RECOVERABLES

The valuation basis for reinsurance recoverables is different under French GAAP and Solvency II.
Reinsurers share in technical provisions are adjusted by the probability of default of the counterparty and the resulting average loss (net technical provisions after allowance for defaults).
For further details please refer to the section on "technical provisions".

4.3.12 DEPOSITS TO CEDANTS

Deposits to cedants include deposits relating to reinsurance accepted. Deposits to cedants are measured at fair value under Solvency II. The fair value is determined by mainly using the income approach. Under French GAAP deposits to cedants are recorded at face value less any impairment for balances that are deemed not to be recoverable.
However there is no material valuation difference between French GAAP and Solvency II.

4.3.13 INSURANCE AND INTERMEDIARIES RECEIVABLES

Insurance and intermediaries receivables include amounts past-due by policyholders, insurers, and others participating in the insurance business that are not included in cash inflows of technical provisions. Receivables from insurance and intermediaries are generally measured at their nominal amount with an adjustment for the probability of default of the counterparty. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

Therefore, insurance and intermediaries of receivables are measured at nominal value with an adjustment for probability default for counterparty in French GAAP and MVBS, unless the market value deviates materially from the adjusted nominal value. Then, the market value is used in the MVBS.

The difference between French GAAP and MVBS mainly relates to a premium MVBS adjustment made to premium receivables for uninvoiced unearned and earned premium. This adjustment arises due to the French market practice of invoicing in arrears. This adjustment is referred to as Pipeline premium adjustment.

4.3.14 REINSURANCE RECEIVABLES

Reinsurance receivables include amounts past-due by reinsurers that are linked to the reinsurance business but that are not reinsurance recoverables. They might include receivables from reinsurers that relate to settled claims of policyholders or beneficiaries, payments in relation to other than insurance events or settled insurance claims. Reinsurance receivables are generally measured at their nominal amount with an adjustment for the probability of counterparty default. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

Therefore, reinsurance of receivables is measured at nominal value with an adjustment for probability of default counterparty under French GAAP and MVBS, unless the market value deviates materially from the adjusted nominal value. Then, the market value is used in the MVBS.

The difference between French GAAP and MVBS mainly relates to an adjustment made for commission receivable from reinsurers on ceded business for Pipeline premium adjustment.

4.3.15 RECEIVABLES (TRADE, NOT INSURANCE)

Receivables (trade, not insurance) are generally measured at their nominal amount with an adjustment for probability of counterparty default. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

Therefore, receivables (trade, not insurance) are measured at nominal value with an adjustment for probability of default for counterparty risk under French GAAP and MVBS, unless the market value deviates materially from the adjusted nominal value. Then, the market value is used in the MVBS.

There is no difference between French GAAP and MVBS values for AWP H&L SA.

4.3.16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include notes and coins in circulation that are commonly used to make payments and deposits exchangeable for currency on demand at par and which are directly usable for making payments by cheque, draft, giro order, direct debit/credit or other direct payment facility without penalty or restriction. Cash and cash equivalents are measured at nominal amount with, if necessary, an adjustment for probability of counterparty default. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles. Under French GAAP Treasury bills are classified as Investments whereas in MVBS they are categorised as cash.

4.3.17 ANY OTHER ASSETS, NOT ELSEWHERE SHOWN

Any other assets, not elsewhere shown include any assets that are not included in the other balance sheet captions. It includes mainly deferred charges. They are generally measured at fair value or at nominal amount with an adjustment for probability of counterparty default. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

4.4 Valuation of Technical Provisions

This chapter separately outlines details on the valuation of technical provisions for both the non-life and life business of AWP H&L.

The following table shows the MVBS technical provisions per line of business:

Consolidated MVBS technical provisions on Aggregated-LoB basis

EUR MN	As at 31 December 2022	
	MVBS	IFRS
10. Reinsurance recoverables from:	590.9	729.6
10.1 Non-life and health similar to non-life	540.3	662.7
10.1.1 Non-life excluding health	0.0	0.0
10.1.2 Health similar to non-life	540.3	662.7
10.2 Life and health similar to life, excl. health/index-lin	50.6	66.8
10.2.1 Health similar to life	36.4	66.8
10.2.2 Life excl. health and index-linked and unit-linked	14.2	0.0
19.1. Technical provisions - non-life (excluding health)	0.0	0.0
19.1.1 TP calculated as a whole	0.0	0.0
19.1.2 Best Estimate	0.0	0.0
19.1.3 Risk margin	0.0	0
19.2. Technical provisions - health (similar to non-life)	557.2	1,351.1
19.2.1 TP calculated as a whole	0.0	0.0
19.2.2 Best Estimate	529.6	1,351.1
19.2.3 Risk margin	27.6	0
20.1. Technical provisions - health (similar to life)	183.7	270.6
20.1.1 TP calculated as a whole	0.0	0.0

20.1.2 Best Estimate	182.4	270.6
20.1.3 Risk margin	1.3	0
20.2. Technical provisions - Life (excl. health, index-linked and unit-linked)	68.9	0.0
20.2.1 TP calculated as a whole	0.0	0.0
20.2.2 Best Estimate	61.4	0.0
20.2.3 Risk margin	7.5	0
TECHNICAL PROVISIONS - NET OF REINSURANCE	218.9	892.2

4.4.1 NON-LIFE – TECHNICAL PROVISIONS

4.4.1.1 RESULTS

The following table shows the MVBS technical provisions per line of business.

Non-life – Consolidated MVBS technical provisions on Aggregated-LoB basis

EUR MN	As at 31 December 2022	
	MVBS	IFRS
10. Reinsurance recoverables from:	540.3	662.7
10.1 Non-life and health similar to non-life	540.3	662.7
10.1.1 Non-life excluding health	0.0	0.0
10.1.2 Health similar to non-life	540.3	662.7
19.1. Technical provisions - non-life (excluding health)	0.0	0.0
19.1.1 TP calculated as a whole	0.0	0.0
19.1.2 Best Estimate	0.0	0.0
19.1.3 Risk margin	0.0	0.0
19.2. Technical provisions - health (similar to non-life)	557.2	1,351.1
19.2.1 TP calculated as a whole	0.0	0.0
19.2.2 Best Estimate	529.6	1,351.1
19.2.3 Risk margin	27.6	0.0
TECHNICAL PROVISIONS NON-LIFE - NET OF REINSURANCE	16.9	688.4

The technical provisions correspond to the current amount that AWP H&L would have to pay if it was to transfer its (re)insurance obligations immediately to another (re)insurance undertaking. The calculation of technical provisions equals the sum of Best Estimate Liabilities and a Risk Margin, which are calculated separately.

4.4.1.2 METHODS AND MODELS

The BEL are defined as the probability-weighted average of the future cash flows, taking into account the time value of money (expected value of future cash flows), using the relevant risk-free interest rate term structure (without volatility adjustments as per the Solvency II requirements).

BEL comprise claims provisions and premium provisions described below.

The calculation is gross of reinsurance. Nevertheless, for AWP H&L the calculation is net of coinsurance without deduction of the amounts recoverable from reinsurance contracts.

Reinsurance amounts are calculated separately.

Separate allowances are made within the calculation for a number of contracts that have in place cost sharing arrangements.

BEL represents the deterministic expectation of the cash flows based on IFRS accounts; this includes the best estimate of claims reserves including salvage and subrogation and claims expenses and the best estimate of premium provisions.

The BEL for all insurance obligations are calculated separately for claims provisions and for premium provisions.

The calculation of the BEL is based on up-to-date and credible information and realistic assumptions and is performed using adequate, applicable and relevant actuarial and statistical methods. Methods are applied with professional judgment and actuarial expertise to adapt to practical challenges beyond statistical theory.

4.4.1.2.1 Premium liabilities

The premium provisions relate to future expected cash flows covered by insurance obligations in respect of premiums not yet earned. The best estimate of the premium provision is defined as the expected present value of future in-coming and out-going cash flows. For discounting, the relevant risk-free interest rate for the term (i.e. currency specific swap-rate curve without volatility adjustment) is used.

This amount is discounted, by currency and cash flow period, using the relevant risk-free interest rate.

4.4.1.2.2 Claims liabilities

The claims provisions are calculated by discounting future cash flows relating to premiums already earned. They include claims cash flows, regardless of whether the claims arising from these events have been reported or not. Cash flow projections for the calculation include benefits and expenses relating to these events.

For discounting, the relevant risk-free interest rate for the term (i.e. currency specific swap-rate curve without volatility adjustment) is used.

At AWP H&L the undiscounted Market Value Balance Sheet (MVBS) best estimate claims liabilities amounts are equal to the IFRS one and confirmed in the Allianz Partners Reserve Committees.

For calculating Group IFRS claims reserves, conventional actuarial valuation methodologies are adapted with consideration to the characteristics of the portfolio and independently validated in tech, peer and management reviews.

4.4.1.2.3 Risk Margin (RM)

The market value of liabilities is defined as the discounted best estimate liabilities plus a Risk Margin (RM), representing the cost of capital to run-off the business until final settlement. Therefore, the RM is the cost of holding the necessary capital in excess of the BEL. In other words, at the time the balance sheet is drawn up, all contractual obligations are carried at their expected value (discounted for time value) plus the RM.

AWP H&L uses the standard model and therefore the risk margin is based on the standard formula SCR. Risk margins are calculated quarterly using the 3rd simplification as described in Solvency II Technical Specifications and the formula provided by EIOPA. This methodology calculates the risk margin as the discounted cost of capital by projecting Solvency Capital Requirements for Underwriting risk1, Credit risk and Operational riskusing ratios of projected best estimate liabilities. Risk margins are applied as a percentage of total BEL's. The calculation is done by the Actuarial Function.

4.4.1.3 ASSUMPTIONS

4.4.1.3.1 Assessment of Future Claims

The assessment of future claims relies on a future loss ratio and expense ratio assumption.

H&L future claims are based upon an assessment by Corporate Actuarial of expected future loss ratio over the unexpired period of risk. Those loss ratios are based on the most up-to-date level of information on the underlying performance of the business.

4.4.1.3.2 Contract Boundaries

A contract is recognized at the date AWP H&L becomes a party to the contract that gives rise to the obligation or the date the (re)insurance cover begins, whichever date occurs earlier. This approach is in accordance with Article 17 and 18 of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014. The ending contract boundary is the expiry date of the contract or, if

[1] SCR-UW includes only underwriting risk and the reinsurance component of counterparty default

earlier, the point in time in which the insurer has the unilateral right to terminate the contract, amend the premium or reject the premium under the contract.

4.4.1.4 OTHER ASSUMPTIONS

4.4.1.4.1 Proportionality

The Actuarial Function ensures that the technical provisions are determined by using data, assumptions and methods that are proportionate to the risk profile of AWP H&L, taking into account the nature, scale and complexity of the risks. The principle of proportionality applied across Allianz Group means that legal entities are allowed to choose and apply a valuation method which is:

- Suitable to achieve the objective of deriving BEL, but
- Not more sophisticated than is needed in order to reach this objective.

4.4.1.4.2 Materiality

Informed decisions are taken on each aspect of the reserving process in assessing the potential for a material misstatement of technical provisions. Therefore, the concept of materiality is applied to the scope definition, valuation method, reserving assumptions and data quality.

4.4.1.4.3 Policyholder's Behaviour and Management Actions

It is assumed that there are no changes to underlying policyholder behavior or management behavior that would impact the calculation of technical provisions.
Management actions are mainly limited to changes in prices or portfolio cleaning. But that does not have any impact on technical provisions as just bound contracts are in scope. Hence, in our opinion a description of the relevant assumptions is not relevant for non-life business.

4.4.1.4.4 Material Changes

From 1 January 2020 a net quota share agreement was entered into with Allianz Re Dublin. The outwards reinsurance agreement allows for the cession of 50% of the net medical expense insurance business related to policies written on or after the 1st January 2020, excluding business written through the Canadian branch of AWP Health and Life, as well as liabilities arising for this business on or after the 1st January 2020 related to prior polices existing as of 1st January 2020.

From 1st January 2023 the cession rate to Allianz Re Dublin increased to 60% for claims incurred and premium earned on or after this date.

4.4.1.4.5 Application of Transitional Changes

Volatility adjustment and Matching adjustments are not applicable for AWP H&L.

4.4.1.4.6 Economic Scenario Generator

AWP H&L is using a market consistent valuation methodology to derive the economic value of the liabilities embedded in the company's Health and Life business and the sensitivities thereof. The requirement of market consistency outlined in the Solvency II directive on the calculation of technical provisions (Article 75, [7]) and further specified in the delegated acts (Article 17, [8]) implies usage of the class of risk neutral economic models.

When calculating the fair values of assets and liabilities, the assumptions regarding the underlying risk-free yield curve are crucial in determining future cash flows and their discounting. We apply the methodology provided by the European Insurance and Occupational Pensions Authority (EIOPA) within the technical documentation (EIOPA-BoS-21/475) for the extension of the risk-free interest rate curves beyond the last liquid tenor. Due to the late availability of official EIOPA publication AWP H&L uses the Allianz group's own set of risk-free yield curves calibrated according to EIOPA methodology and guidelines.

4.4.1.5 SIMPLIFICATIONS

4.4.1.5.1 Expert Judgements

Valuation of technical provisions is a process which requires expert judgment in a number of areas, for example, regarding the credibility assigned to historical data, to which extent reliance should be placed on prospective models and the requirement to consider uncertainty in the estimation. Regardless of the technique, judgment is required in making additions or adjustments to the estimates to allow for circumstances not included in the history that need to be incorporated in the BEL (for example events not in the data).

Hence, expert judgment is not dissociated from any task performed by the Actuarial Function. Its role is expressed in complementing the statistical analysis performed, in the interpretation of the results and in the identification of a solution in the presence of shortcomings. As part of the analysis, the actuary undertaking the work is tasked with showing the appropriateness of the expert judgment to avoid biased estimates that either over- or underestimate the true underlying risk. However, expert judgment is not applied in isolation unless there is no reliable alternative, for example because of a scarcity of relevant data. Where an assumption depends on expert judgment, the person applying it has the relevant knowledge, understanding and comprehension of the subject to make such a determination.

4.4.1.5.2 Ceded Claims Provisions

In normal circumstances, the claims provision analysis is done separately for gross and ceded where possible using the exact terms of the reinsurance contract. Where this is not material or possible due to the availability of appropriate ceded data, simplifications are employed to enable a net analysis to be done. The approach used depends on the circumstances but includes:

An indirect approach is based on the difference between gross and net estimates. This approach is possible where appropriate net data are available.

An even simpler approach is based on gross-to-net ratios. In this case benchmarks ratios are used.

The third approach is to consider only case reserves for the ceded best estimates.

In cases where simplifications are used, the Actuarial Function demonstrates and validates the reasonableness of the approach.

4.4.1.5.3 Counterpart Defaults Adjustment

In performing the calculation, the risk-mitigation effect of reinsurance are considered even though the risk of the counterparties' default remains. This is considered separately and an adjustment is made to the reinsurance recoveries accordingly. Based on the former calculation, the Counterparty default adjustment is small compared to the amount of ceded reserves.

4.4.1.5.4 Discounting And Cashflow of Technical Provisions

To evaluate the market value of technical provisions, cash flow patterns, discounted loss and premium provisions and risk margins are calculated.

The estimates of technical provisions for the MVBS and best estimate used in the risk capital model are consistent. Therefore, identical cash flow patterns and risk-free yield curves are used.

For cash flow projections the in-coming and out-going cash flows (including expenses) required to settle the insurance obligations are considered. Furthermore, consideration is made of the currency of the cash flows unless the concept of proportionality applies.

In order to determine the market valuation discounting is made using the relevant interest rate for the applicable term and currency. To avoid inconsistencies, the yield curves are taken from one single source namely the official yield curve provided by Allianz Group in the internal system known as the Risk Analysis Infrastructure (RAI) system.

The discount rate used for discounting allow for negative interest rates where appropriate.

4.4.1.6 DATA

In cases where there is insufficient data of appropriate quality to apply standard actuarial method appropriate approximations for the BEL calculation and expert judgement are used.

4.4.2 NON-LIFE TP - LEVEL OF UNCERTAINTY OF TECHNICAL PROVISIONS AND AMOUNTS

The technical provisions are subject to the usual sources of uncertainty such as claims runoff, number of claims and expenses different from that predicted in the reserving models.

The analysis also considers model uncertainty, which includes scenario testing, consideration of the result of ranges coming from different models and back-testing to monitor the change in estimates due to additional information.

4.4.3 NON-LIFE TP - EXPLANATION OF VALUATION DIFFERENCES WITH FINANCIAL STATEMENTS

Although the wording for the definition of best estimate under US GAAP/IFRS and Solvency II is not identical, the same theoretical concepts and calculation methods are applied in the estimation process.

In comparison with IFRS, there are four additional aspects under Solvency II: Premium provisions, estimation of cash flow pattern, discounting with risk-free rates and Risk Margin.

For the Premium BEL calculation, the following assumptions have been used:

- Technical Provisions derived from IFRS
- Undiscounted claims reserves/provisions are equal in both balances
- Premium provisions remove acquisition costs from UPR and capitalise future expected profits with assumptions as to the level of future profits.
- Discounting impact is small (in relative term) due to short duration (2.1% c.)

The differences between the best estimate technical provisions valuation for Solvency purposes and the valuation in the financial statements can be split into the following drivers:

- There is an explicit RM in Solvency II.
- Some differences are based on a different valuation basis. For example, deferred acquisition costs are not included in MVBS and the unearned premium reserves in IFRS are different from the premium provisions in MVBS.
- The remaining difference is related to discounting.

4.4.4 NON-LIFE - REINSURANCE RECOVERABLES

There are no special purpose vehicles applying to the business of AWP H&L. The reinsurance recoverables are shown in the following table.

Non-life – Consolidated BEL, RM on Aggregated-LoB basis

Best Estimates in EUR MN	Best Estimates - 2022.12		
	Gross of reinsurance	Net of reinsurance	Ceded
Best Estimates - Non-Life excluding Health	0.0	0.0	0.0
Premium provision	0.0	0.0	0.0
Claims provision	0.0	0.0	0.0
Risk Margin	0.0	0.0	0.0
Best Estimates - Health (similar to non-life)	557.2	16.9	540.3
Premium provision	-134.8	-347.1	212.3
Claims provision	664.4	336.4	328.0
Risk Margin	27.6	27.6	0.0
TOTAL	557.2	16.9	540.3

The amounts recoverable from reinsurance contracts are calculated consistently with the underlying insurance or reinsurance contracts.

No RM is reported in the section of the reinsurance recoverable as the RM recognized within the technical provisions is already net of reinsurance.

The Counterparty Default Adjustment (CDA) is calculated in line with the Non-Life reserving guidance provided by Allianz Group.

4.4.5 LIFE - TECHNICAL PROVISIONS

4.4.5.1 TECHNICAL PROVISIONS PER AGGREGATED-LOBS

The following table shows the corresponding consolidated MVBS technical provisions on Aggregated-LoB basis for AWP H&L related to all life related business. On the Group level Allianz defines 'Aggregated-LoB' according to the structure of the Group QRT S(E).02.01 (quantitative reporting template).

Gross Best Estimate Liabilities for Aggregated LoB – Life

EUR MN As at 31 December 2022	IFRS as published re-mapped to MVBS line items	IME impact	IFRS adjusted for MVBS	Valuation difference	MVBS
Gross technical provisions	270.6	3.9	274.5	-21.9	252.6
Best estimate	270.6	3.9	274.5	-30.7	243.8
Risk margin				8.9	8.9

4.4.5.2 DESCRIPTION OF THE BASIS

Allianz Group requires technical provisions to be calculated for its life companies according to Article 76 and 77 of the Solvency II Directive 2009/138/EC in order for technical provisions to be disclosed as part of a MVBS.

The technical provisions correspond to the current amount that Allianz would have to pay if it was to transfer its (re)insurance obligations immediately to another (re)insurance undertaking. The calculation of technical provisions equals the sum of Best Estimate Liabilities and a Risk Margin, which are calculated separately.

The methodology to calculate the technical provisions is determined by the Actuarial Function within AWP H&L based upon guidance and criteria provided by Allianz SE to judge if the chosen methodology is proportionate to the nature, scale and complexity of the risks. When assessing the nature and complexity of the risks underlying the insurance contracts, the AWP H&L Actuarial Function takes into account, among other things the following:

- The degree of homogeneity of the risks,
- The way in which these sub-risks are interrelated with one another,
- The level of uncertainty i.e. the extent to which future cash flows can be predicted,
- The nature of the occurrence or crystallization of the risk in terms of frequency and severity, and
- The development of claims payments over time.

In the second step of the proportionality assessment according to Article 56 of Delegated Regulation (EU) 2015/35, AWP H&L assesses whether the calculation method which is intended to be applied can be regarded as proportionate to the nature, scale and complexity of the risks.

4.4.5.3 BEST ESTIMATE LIABILITY (BEL)

The BEL are calculated for all in-force policies at the valuation date. The BEL represents the value of discounted cash flows that emerge over the term of the policy. The cash flow projection used in the calculation takes account of all the cash inflows and cash outflows required to settle the insurance and reinsurance obligations over the lifetime thereof, including:

- Future benefits – annuity payments, claims,
- Future claims settlement expenses, future investment management expenses.

Given the nature of the business future premiums are not considered as part of the calculation. All future amounts are discounted to the valuation date at the valuation discount rate. Best estimate assumptions regarding policyholder behaviour are based on current and credible information

4.4.5.4 RISK MARGIN

The risk margin is calculated in accordance with the principles set out previously for non-life business.

4.4.5.5 APPLICATION OF TRANSITIONAL MEASURES

No transitional measures are relevant to AWP H&L.

4.4.5.6 ECONOMIC SCENARIO GENERATOR

AWP H&L is using an identical approach for Life business as for Non-life business for the Economic Scenario Generator as outlined previously.

4.4.5.7 TECHNICAL PROVISIONS CALCULATED AS A WHOLE

AWP H&L has calculated separate BEL and RM calculations for the Life Technical provisions.

4.4.5.8 UNCERTAINTY – LEVEL OF SENSITIVITY

Sensitivity analyses of the principal assumptions underlying the calculation of technical provisions in the models are made.

Sensitivity testing is done for the life business where shock scenarios are applied to key risks. These tests illustrate uncertainty in relation to technical provisions and are also used for corresponding regulatory capital calculations. Such tests are reviewed and recalculated regularly, (at least once a year) as a part of AWP H&L calculation processes.

4.4.5.9 VALUATION DIFFERENCES IFRS AND MVBS

Allianz Group adopted US GAAP within the scope of IFRS 4 (Phase I) for insurance contracts. The following table sets out differences between IFRS values and MVBS values for solvency purposes.

Valuation differences of technical provisions (scope and valuation) – Net basis

Net TP in EUR MN	Technical Provisions – 2022.12					
	LoB	IFRS as published re-mapped to MVBS line items	IME, CDA impact	IFRS adjusted for MVBS	Valuation difference	MVBS
Net technical provisions calculated as a whole	Health SLT	0.0	0.0	0.0	0.0	0.0
Best estimate	Health SLT	117.2	0.7	117.9	-60.2	57.7
Risk margin	Health SLT				0.5	0.5
Net technical provisions calculated as a whole	Annuities NL (Health)	0.0	0.0	0.0	0.0	0.0
Best estimate	Annuities NL (Health)	86.6	1.0	87.6	0.7	88.3
Risk margin	Annuities NL (Health)				0.8	0.8
Net technical provisions calculated as a whole	Other Life	0.0	0.0	0.0	0.0	0.0
Best estimate	Other Life	0.0	0.9	0.9	46.3	47.2
Risk margin	Other Life				7.5	7.5
Net technical provisions calculated as a whole	All	0.0	0.0	0.0	0.0	0.0
Best estimate	All	203.7	2.7	206.4	-13.3	193.2
Risk margin	All				8.9	8.9

The source of difference between Solvency II and US GAAP in the life business can include:

- Interest rates: Solvency II technical provisions are calculated by discounting the cash-flows with a risk-free interest rate curve without volatility adjustment, while US GAAP uses Best Estimate (real world) interest rates.
- Different consideration of risk: In Solvency II we have an explicit Risk Margin, while US GAAP can contain implicit margins (e.g. PAD, Provisions for Adverse Deviations, in FAS 60 or local surrender value assumptions in FAS 120). In addition, in FAS 60 assumptions are locked in at inception so they might not be Best Estimate.

4.4.5.10 REINSURANCE RECOVERIES AND SPVS

4.4.5.10.1 Reinsurance Recoveries

Reinsurance recoveries are allowed for in the calculation of technical provisions on a proportionate basis reflecting the nature of the contracts in place. Where non-proportionate reinsurance applies the individual characteristics of contracts are applied.

The following table presents the reinsurance recoveries.

Life – Reinsurance recoveries per Aggregated-LoB

Figures in EUR MN	Reinsurance recoveries - 2022.12				
	IFRS as published re-mapped to MVBS line items	IME, CDA impact	IFRS adjusted for MVBS	Valuation difference	MVBS
Reinsurance recoveries	66.8	1.2	68.0	-17.5	50.6

4.4.5.11 TECHNICAL PROVISIONS CHANGES TO PREVIOUS YEAR

This is covered under the comparison in Section 4.1.

4.4.5.12 ACTUARIAL METHODOLOGIES AND ASSUMPTIONS

4.4.5.12.1 Non-Economic Assumptions

All non-economic assumptions (mortality, morbidity, expenses etc.) are reviewed by internal parties on a quarterly basis, and by both internal and external parties on an annual basis. This review accounts for company experience, industry studies and future expectations as relevant.

4.4.5.12.2 Economic Assumptions

In terms of relevant businesses here, the primary economic assumption made here is on the applicable discount rate. For Solvency II purposes these values are provided centrally by Allianz Group. For IFRS, Allianz Group adopted US GAAP within the scope of IFRS 4 (Phase I) for insurance contracts, which uses best estimate (real world) interest rates.

4.4.5.13 MATERIAL CHANGES

Besides the change in future profit and claims assumptions there has been no material changes in assumptions from the previous reporting period.

4.5 Valuation of other liabilities

The classes of other liabilities described are the same as used in the Solvency II balance sheet (MVBS). The aggregation is based on the nature and the function of liabilities and their materiality for solvency purposes. The following table shows the amount of other liabilities according to MVBS as of 31 December 2022. Unless stated otherwise, only valuation differences between "French GAAP adjusted for MVBS scope" (French GAAP) and "MVBS" values are discussed in this section.

Valuation of other liabilities according to MVBS

€MN as of December 2022	French GAAP re-mapped to MVBS line items	Valuation Difference	MVBS
Provisions other than technical provisions	29	0	29
Pension benefit obligations	1	(0)	1
Deposits from reinsurers	518	94	612
Deferred tax liabilities	0	0	0

Derivatives	0	0	0
Financial liabilities other than debts owed to credit institutions	0	1	1
Insurance and intermediaries payables	128	-103	25
Reinsurance payables	132	-132	0
Payables (trade, not insurance)	11	-2	9
Any other liabilities, not elsewhere shown	100	-11	89
Total other liabilities	**918**	**-153**	**766**

4.5.1 PROVISIONS OTHER THAN TECHNICAL PROVISIONS

Provisions other than technical provisions refer to liabilities of uncertain timing and amount. The provisions are recognised as liabilities (assuming a reliable estimate can be made) when they are present obligations resulting from past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. They include, e.g. staff-related provisions, provisions for stock-based compensation, restructuring provisions and provisions for legal expenses and deferred income reserves.

Provisions are calculated on a best estimate basis for both French GAAP and MVBS. Therefore, there are no valuation differences between French GAAP and MVBS values.

4.5.2 PENSION BENEFIT OBLIGATIONS

Pension benefit obligations include the total net obligations related to the employee pension scheme (where applicable in accordance with the national pension scheme). Post-employment benefits refer to employee benefits other than termination benefits payable after completion of employment. The Post-employment benefits scheme operated by AWP H & L is primarily a defined contribution scheme whereby the extent of the Company pension obligation is linked to contributions to the pension fund only with no liability for the final pension obligation i.e. all pension investment gains and losses are borne by the employee,

There are no valuation differences between French GAAP and MVBS.

4.5.3 DEPOSITS FROM REINSURERS

Deposits from reinsurers include amounts (e.g. cash) received from a reinsurer or deducted by the reinsurer according to the reinsurance contract. Deposits from reinsurers are measured at fair value without taking account of subsequent changes to own credit spread. The fair value is determined by mainly using the income approach.

The difference between French GAAP and MVBS relates to an increase in the cession rates in the reinsurance agreement with Allianz Re as of 01/2023 (and which were also reflected in the modelled reinsurance recoverables). The new quota share amendment was within the boundaries of the contract for MVBS reporting at the end of 2022.

There is also a difference between French GAAP and MVBS due to a reclassification of the reinsurance payable amount to the deposit account for the aforementioned business.

4.5.4 DEFERRED TAX LIABILITIES (DTL)

Deferred taxes are not recognized under French GAAP.

4.5.5 FINANCIAL LIABILITIES OTHER THAN DEBTS OWED TO CREDIT INSTITUTIONS

Financial liabilities other than debts owed to credit institutions represents the interest expense on the lease liability of our operating leases under MVBS in line with the valuation methodology of IFRS 16.

Under French GAAP, there are no financial liabilities included as operating leases are charged on a straight line basis to the profit and loss account.

4.5.6 INSURANCE AND INTERMEDIARIES PAYABLES

Insurance and intermediaries payables refer to amounts past-due to policyholders, insurers and others participating in the insurance business, but are not technical provisions. They include amounts past-due to (re)insurance intermediaries (e.g. commissions due to intermediaries but not yet paid by the group) and excludes loans due to insurance companies, if they are not linked to insurance business but are only related to financing (and are, therefore, included in financial liabilities).. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

Insurance and intermediaries payables are measured at nominal value under French GAAP and MVBS. The difference between French GAAP and MVBS mainly relates to an adjustment made for commission portion of Pipeline uninvoiced premium due to be paid to intermediaries.

4.5.7 REINSURANCE PAYABLES

Reinsurance payables are amounts payable, past-due to reinsurers (especially current accounts) other than deposits that are linked to the reinsurance business, but that are not included in reinsurance recoverables. They include payables to reinsurers that relate to ceded premiums. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

The difference between French GAAP and MVBS is primarily due to the reclassification of not due ceded Pipeline premium under Reinsurance payables to Reinsurance Recoverables. A reclassification is also carried out from Reinsurance payables to Deposits from reinsurers for the amount not yet settled at the valuation date in respect of the Az Re Quota Share.

4.5.8 PAYABLES (TRADE, NOT INSURANCE)

Payables (trade, not insurance) include the total amount of trade payables, including amounts due to employees, suppliers, etc. and are not insurance-related. Payables are generally recognized with their settlement amount under French GAAP which is also considered to be the market value which is in line with MVBS. Therefore there are no material difference between French GAAP and MVBS values.

4.5.9 ANY OTHER LIABILITIES, NOT ELSEWHERE SHOWN

Any other liabilities, not elsewhere shown include any liabilities that are not included in the other balance sheet items. They mainly include other liabilities and deferred income. The nominal value is considered as a good proxy for the fair value within the materiality and proportionality principles.

Any other liabilities, not elsewhere shown are mainly measured at amortized cost under French GAAP while they are included at fair value in the MVBS. Some of the other liabilities are already measured at fair value under French GAAP and do not require adjustments. Due to the measurement differences between Fair Value under MVBS and amortised cost under French GAAP, there is a material difference.

4.6 Alternative method for valuation

Information on alternative methods for valuation is provided under the description of the MVBS line items respectively.

4.7 Other information

All information relating to the valuation for solvency purpose is included in the sections above.

CAPITAL MANAGEMENT

CAPITAL MANAGEMENT

5.1 Own Funds

5.1.1 OWN FUNDS MANAGING SYSTEM STRUCTURE, AMOUNT

One of the core objectives under Allianz's strategy is to maintain the Group's financial strength. Capital is a central resource that supports multiple activities across the entire Allianz Group, whereby the risk bearing capacity of Allianz Group forms a foundation for the company's long-term viability and, by extension, the trust of AWP H&L customers.

Allianz applies an integrated capital framework, taking into account the risk appetite and the risk capital allocation across the Group. Capital management shall protect the Group's own funds base and support effective capital management on Group level in line with the Group Risk Policy. Both risk considerations and own funds needs are integrated into management and decision making processes through the attribution of risk and allocation of own funds to the various segments, lines of business and investments.

In 2014 the company moved to formalize and clarify its capital management strategy and has introduced a capital management policy. The core tenet of the capital management approach is the consideration of own funds as a group resource to be held centrally by Allianz SE and virtually allocated top down to those OEs, businesses or products earning the highest returns in excess of the cost of capital. This approach has the following implications for physical capital (own funds) allocation:

- Fungibility of capital is maximized through the central pooling of capital and risks
- Locally held capital is limited to the minimum regulatory requirement (and rating agency requirements where applicable) plus an adequate volatility buffer – and any excess capital is up-streamed to Allianz SE

The current liquidity plan and solvency projections reflect all planned changes in own funds (e.g. due to up-streaming or down-streaming of capital) for the next 3 years. An additional liquidity buffer is held by Allianz SE and available as a contingent source of capital for OEs should the need for any capital increases arise.

There were no material changes over the reporting period with regards to objectives, policies and processes employed by Allianz for managing its Own Funds.

5.1.2 STRUCTURE, AMOUNT AND QUALITY OF OWN FUNDS

The Company's Own Funds consist entirely of Basic Own Funds.

The Basic Own Funds (after adjustments) amount to EUR357 MN and consist of EUR 328MN Tier 1 unrestricted Own Funds, €0 MN Tier 2 Own Funds and EUR 29 MN Tier 3 Own Funds. Tier 1 unrestricted Own Funds relate mainly to the ordinary share capital and share premium of AWP H&L amounting to EUR 215 MN, the reconciliation reserve amounting to EUR 113MN. Tier 3 Basic Own Funds relate to an amount equal to the value of net deferred tax assets. AWP H&L does not have any Ancillary Own Funds.

The following table provides details with regards to the individual Basic Own Funds items and the respective classification into tiers:

Basic Own Funds (after deductions) split

€MN As of December 2022	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
Ordinary share capital (gross of own shares)	75	75			
Share premium account related to ordinary share capital	140	140			
Surplus Funds	-	-			
Non-available surplus funds at group level	-	-			
Reconciliation reserve	113	113			
Subordinated liabilities					
An amount equal to the value of net deferred tax assets	29	-			29
The amount equal to the value of net deferred tax assets no available at the Group level					
Non-available minority interests at group level					
	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
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					
	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
Deductions for participations related credit institutions, investment firms and financial institutions (Level I Article 228)	-	-			
Deduction for participations when using D&A or combination of methods (Article 233)	-	-			
Total deductions	-	-			
	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
Basic Own Funds (after adjustments)	**357**	**328**			**29**

The classification into tiers follows the criteria set out in articles 93 to 96 of the Solvency II Directive 2009/138/EC as well as in articles 69 to 78 of the Solvency II Delegated Regulation. Ordinary share capital (paid-in), share premium related to ordinary share capital, surplus funds and the reconciliation reserve are classified as Tier 1 unrestricted Own Funds, the amount equal to the value of net deferred tax assets is classified as Tier 3 Own Funds. The subordinated liabilities have been classified into Tier 1 restricted and Tier 2 based on the terms and conditions of the respective subordinated liability.

There has been an increase of EUR 7MN in Ordinary share capital and EUR 35mn in share premium during 2022. The reconciliation reserve has decreased by EUR 126MN.

5.1.3 THE ELIGIBLE AMOUNT OF OWN FUNDS TO COVER THE SOLVENCY CAPITAL REQUIREMENT, CLASSIFIED BY TIERS

Based on the available Own Funds (Solo), the eligible Own Funds (Solo) to meet SCR has to be identified by use of predefined Tier limits.

According to L2 Article 82 (1) and (2) and in agreement with the tiering limits applied on the Own Fund QRTs (validation rules as provided by EIOPA), these limits are as follows:

- The proportion of Tier 1 items in the eligible Own Funds must be at least 50% of the SCR.
- Tier 2 Own Fund items are eligible to cover the SCR up to 50% of the SCR provided that the sum of eligible Tier 2 and Tier 3 items does not exceed 50% of the SCR.
- Tier 3 Own Fund items are eligible to cover the SCR up to 15% of the SCR provided that the sum of eligible Tier 2 and Tier 3 items does not exceed 50% of the SCR.

AWP H&L Own Funds are all eligible Own Funds for the Solo SCR and amount to EUR 357 MN.

5.1.4 THE ELIGIBLE AMOUNT OF OWN FUNDS TO COVER THE MINIMUM CAPITAL REQUIREMENT, CLASSIFIED BY TIERS

Based on the available Own Funds (Solo), the eligible Own Funds (Solo) to meet MCR has to be identified by use of predefined Tier limits.

Tier limits for the eligible Own Funds to meet MCR:

- Tier 2 ≤ 20% of MCR

AWP H& L SA Eligible Own Funds to meet the MCR amount to EUR 328 MN. Tier 3 Own Funds are not eligible to cover Minimum Capital Requirement. The proportion of Tier 1 items in the eligible Own Funds must be at least 80% of the MCR. AWP H&L satisfies this requirement as EUR 328MN eligible Tier 1 Own Funds is 417% of MCR.

5.1.5 RECONCILIATION BETWEEN FRENCH GAAP AND MVBS EXCESS OF ASSETS OVER LIABILITIES

The MVBS excess of assets over liabilities amounts to EUR 357MN, whereas the French GAAP of assets over liabilities amounts to EUR 427MN. The difference of EUR 70 MN is attributable to the below key drivers:

- MVBS balance sheet items that are not recognised in French GAAP (e.g. risk margin, deferred tax).
- Differences in recognition and valuation of technical provisions and reinsurance recoverables, insurance receivables and Payables, Participations, Investments and Deposits from Reinsurers.
- French GAAP balance sheet items that are not recognized in MVBS (e.g. DAC, intangible assets).

The following table discloses quantitative details on the above mentioned drivers.

Reconciliation between French GAAP and MVBS excess of assets over liabilities

€MN as of December 2022	
French GAAP excess of assets over liabilities	**427**
Deferred Acquisition Costs	-25
Intangible Assets	-49
Deferred Tax (net)	29
Property, plant and equipment held for own use	4
Investments	-97
Insurance & intermediaries receivables	-731
Reinsurance receivables	-39
Other Assets	-2
Technical Provisions *	687
Provisions other than technical provisions	1
Insurance & intermediary payables	103
Reinsurance payables	132
Other Liabilities	12
Financial Liabilities	-1
Deposits from reinsurers	-94
MVBS excess of assets over liabilities	**357**

The line-by-line description of the differences between French GAAP and MVBS can be found in the respective sections of this report.

5.1.6 BASIC OWN-FUND ITEMS AND TRANSITIONAL ARRANGEMENTS REFERRED TO IN ARTICLES TOF1 AND TOF2

The Basic Own Funds are based on the excess of assets over liabilities amounting to EUR 357MN, which is derived from the Solo MVBS belonging to the entity.

The Company does not hold participations in credit institutions, investment firms and financial institutions.

Basic Own Funds of AWP H&L amount to EUR 357 MN and consist of Tier 1 and Tier 3 Basic Own Funds. Available Own Funds to meet the SCR amount to EUR 357MN.

According to Article 308b(9) and (10) of Directive 2009/138/EC, certain subordinated debt instruments can be included in Tier 1 or Tier 2 based on transitional arrangements for a period of up to 10 years (ending on 31 December 2025). AWP H&L does not hold any subordinated debt instruments.

The reconciliation reserve comprises predominantly the Company's cumulative retained earnings and unrealised gains and losses on available for sale investments.

5.1.7 DESCRIPTION OF THE ITEMS OF ANCILLARY OWN FUNDS

AWP H&L did not hold any ancillary own funds at the end of December 2022.

5.1.8 ITEMS DEDUCTED, AVAILABILITY AND TRANSFERABILITY OF OWN FUNDS

Solvency II introduced availability constraints linked to the fungibility and transferability concepts. Hence, Solo Own Funds components which cannot effectively be made available for the Group (in the following called "unavailable Solo Own Funds") are subject to a limitation with regards to their inclusion in the Eligible Own Funds. The limitation is generally defined by the Solo entity's contribution to the Group Solvency Capital Requirement. Therefore, any unavailable Solo Own Funds that exceed the Solo entity's contribution to the Group Solvency Capital Requirement are defined as unavailable Solo Excess Own Funds and need to be deducted from Eligible Own Funds.

As at year ended 31.12.22 the share capital of AWP Health & Life SA is set at EUR 72,104,026 divided into 36,052,013 shares with a nominal value of €2 each. These shares are fully paid and are of the same class of shares.

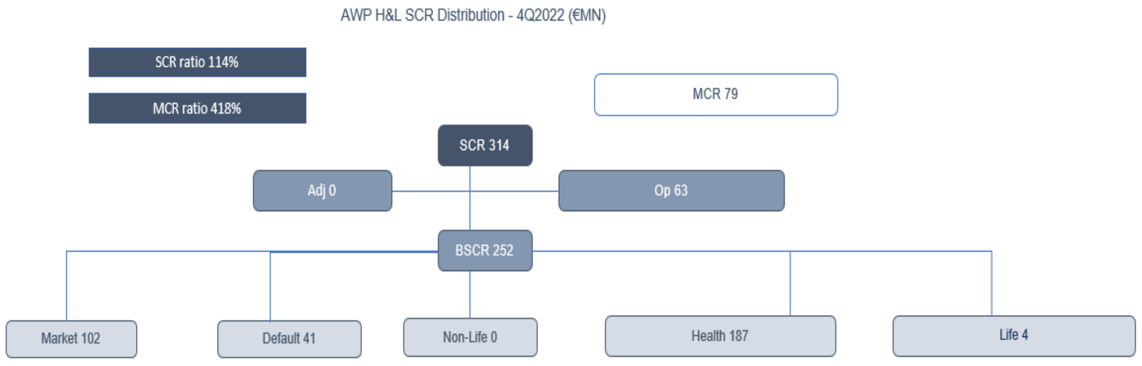
5.2 SCR & MCR

5.2.1 AMOUNTS OF THE SCR AND THE MCR

As at December 31st 2022, AWP H&L Solvency Capital Requirement (SCR) is evaluated at € 314MN, whereas the Minimum Capital Requirement (MCR) is evaluated at € 79MN.

5.2.2 SCR SPLIT BY RISK MODULES/CATEGORIES AND MCR

The capital position of AWP H&L as at December 31st 2022 is as follows:



AWP H&L's current Solvency II ratio is sufficient to meet the regulatory requirement.

5.2.3 RISK MODULES AND SUB-MODULES OF THE STANDARD FORMULA: SIMPLIFIED CALCULATIONS

AWP H&L only applies the simplified calculations for Counterparty Default Risk under standard formula.

As per latest Solvency II Delegated Regulation, the receivables of a given counterparty can be netted by the amount of payables in respect of that counterparty, provided that they can actually be compensated in case of default of the counterparty.

This simplification is only applicable to reinsurance exposures in AWP H&L where the counterparties are known.

5.2.4 SPECIFIC PARAMETERS IN THE STANDARD FORMULA

Not applicable to AWP H&L.

5.2.5 OPTION IN THE THIRD SUBPARAGRAPH OF ARTICLE 51 (2) OF DIRECTIVE 2009/138/EC: STATEMENT OF USE

Not applicable to AWP H&L.

5.2.6 ARTICLE 110 OF DIRECTIVE 2009/138/EC AND CAPITAL ADD-ON

The appropriateness assessment of the standard formula underlying assumptions is conducted in a top-down manner, along the intent of EIOPA's ORSA Guideline 12, by combining a qualitative and materiality based analysis in the first place, followed by a more quantitative scenario analysis for those risk types that indicate a potentially significant deviation between relevant standard formula assumptions and the intrinsic aspects of the own business.

AWP H&L consider the standard formula underlying assumptions to be valid to the Company's risk profile with no deviations.

5.2.7 INPUT TO CALCULATE THE MCR

The Minimum Capital Requirement is evaluated in accordance with latest Solvency II Delegated Regulation.

The calculation of the MCR is based on the Net Best Estimate and Net Written Premium in the last 12 months. These amounts are aligned with the MVBS and the figures used for the SCR valuation.

As at December 31st 2022, the MCR is evaluated at € 79MN.

5.2.8 MATERIAL CHANGE IN THE SCR AND IN THE MCR

The SCR increases by € 10MN between December 31st 2021 and December 31st 2022, from € 304MN to € 314MN. The MCR increases by € 2.5MN between December 31st 2021 and December 31st 2022, to reach € 79MN.

5.2.9 USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

Not applicable to AWP H&L.

5.2.10 DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

Not applicable to AWP H&L.

5.2.11 NON-COMPLIANCE WITH MCR AND SCR

5.2.11.1 ANY REASONABLY FORESEEABLE RISK OF NON-COMPLIANCE WITH THE MCR AND SCR. PLANS FOR ENSURING COMPLIANCE

Beyond the regulatory requirements, Allianz SE Risk Strategy is a core element of the Risk Management framework with the objective to define the overall risk appetite of the Allianz Group with respect to all material risks.
Allianz SE Risk Strategy and Risk Appetite are linked to the Group business strategy and top risk assessment, being developed as part of the Strategic Dialogue / Planning Dialogue process. In line with Allianz SE best practices, Allianz Partners has also developed and implemented the Allianz Partners Risk Strategy, defining the overall risk appetite of the Sub-Group and its related entities.

As part of the Group's Risk Strategy, a target management ratio is defined, which represents the capitalisation level which would allow keeping Solvency II ratio at 100% after the worst out of a series of market risk and underwriting risk stress scenarios.

As at year-end 2022, even though SII ratio is not endangered, remediation actions are currently in place to increase the solvency buffer of AWP H&L.

If, in the event that these action plans prove insufficient to restore the Solvency II ratio of AWP H&L, a capital injection from Allianz SE would be sought.

AWP H&L is well prepared to address potentially adverse future events arising from global economic situation, due to our strong internal limit framework, stress testing, and risk management practices. We are carefully monitoring especially the development of the geopolitical conflicts, and are managing our portfolios to ensure that AWP H&L has sufficient resources to meet its solvency capital needs.

5.3 Any other information

All information relating to AWP H&L own funds, SCR and MCR are included in the sections above.

QRTs

S.02.01
Balance sheet

Assets		Solvency II value C0010
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0.00
Deferred tax assets	R0040	28,661,917.00
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	10,505,050.00
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	902,563,490.00
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	899,989,940.00
Government Bonds	R0140	290,668,400.00
Corporate Bonds	R0150	609,321,540.00
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	
Derivatives	R0190	2,573,550.00
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	117,111,340.00
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	117,111,340.00
Reinsurance recoverables from:	R0270	590,888,700.00
Non-life and health similar to non-life	R0280	540,307,940.00
Non-life excluding health	R0290	
Health similar to non-life	R0300	540,307,940.00
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	50,580,760.00
Health similar to life	R0320	36,379,510.00
Life excluding health and index-linked and unit-linked	R0330	14,201,250.00
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	13,450,040.00
Insurance and intermediaries receivables	R0360	158,457,260.00
Reinsurance receivables	R0370	9,075,310.00
Receivables (trade, not insurance)	R0380	56,881,760.00
Own shares	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	43,585,400.00
Any other assets, not elsewhere shown	R0420	638,760.00
Total assets	R0500	1,931,819,027.00

Liabilities		Solvency II value C0010
Technical provisions - non-life	R0510	556,877,900.00
Technical provisions - non-life (excluding health)	R0520	
TP calculated as a whole	R0530	
Best Estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	556,877,900.00
TP calculated as a whole	R0570	
Best Estimate	R0580	529,244,320.00
Risk margin	R0590	27,633,580.00
Technical provisions - life (excluding index-linked and unit-linked)	R0600	252,689,650.00
Technical provisions - health (similar to life)	R0610	183,640,440.00
TP calculated as a whole	R0620	
Best Estimate	R0630	182,310,080.00
Risk margin	R0640	1,330,360.00
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	69,049,210.00
TP calculated as a whole	R0660	
Best Estimate	R0670	61,514,410.00
Risk margin	R0680	7,534,800.00
Technical provisions - index-linked and unit-linked	R0690	
TP calculated as a whole	R0700	
Best Estimate	R0710	
Risk margin	R0720	
Other technical provisions	R0730	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	28,630,430.00
Pension benefit obligations	R0760	534,760.00
Deposits from reinsurers	R0770	612,219,657.00
Deferred tax liabilities	R0780	0.00
Derivatives	R0790	138,650.00
Debts owed to credit institutions	R0800	0.00
Financial liabilities other than debts owed to credit institutions	R0810	600,220.00
Insurance & intermediaries payables	R0820	24,569,290.00
Reinsurance payables	R0830	0.00
Payables (trade, not insurance)	R0840	9,364,070.00
Subordinated liabilities	R0850	
Subordinated liabilities not in basic own funds	R0860	
Subordinated liabilities in basic own funds	R0870	
Any other liabilities, not elsewhere shown	R0880	89,466,120.00
Total liabilities	R0900	1,575,090,747.00
Excess of assets over liabilities	R1000	356,728,280.00

S.05.01

Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written																		
Gross - Direct Business	**R0110**	709,145,506.17	70,762,729.01															779,908,235.18
Gross - Proportional reinsurance accepted	**R0120**	1,364,393,921.20	4,075,751.48															1,368,469,672.68
Gross - Non-proportional reinsurance accepted	**R0130**																	
Reinsurers' share	**R0140**	1,071,302,803.51	28,515,475.51															1,099,818,279.02
Net	**R0200**	1,002,236,623.86	46,323,004.97															1,048,559,628.84
Premiums earned																		
Gross - Direct Business	**R0210**	694,192,586.83	73,168,412.92															767,360,999.75
Gross - Proportional reinsurance accepted	**R0220**	1,222,881,070.02	3,965,409.55															1,226,846,479.56
Gross - Non-proportional reinsurance accepted	**R0230**																	
Reinsurers' share	**R0240**	996,575,041.30	28,101,568.26															1,024,676,609.56
Net	**R0300**	920,498,615.55	49,032,254.21															969,530,869.75
Claims incurred																		
Gross - Direct Business	**R0310**	515,225,293.34	95,135,545.44															610,360,838.78
Gross - Proportional reinsurance accepted	**R0320**	919,495,382.62	838,138.63															920,333,521.25
Gross - Non-proportional reinsurance accepted	**R0330**																	
Reinsurers' share	**R0340**	794,140,377.04	22,635,652.67															816,776,029.71
Net	**R0400**	640,580,298.91	73,338,031.40															713,918,330.32
Changes in other technical provisions																		
Gross - Direct Business	**R0410**	0.00	0.00															0.00
Gross - Proportional reinsurance accepted	**R0420**	1,698,807.94	-1,451,037.00															247,770.94
Gross - Non-proportional reinsurance accepted	**R0430**																	
Reinsurers' share	**R0440**	0.00	0.00															0.00
Net	**R0500**	1,698,807.94	-1,451,037.00															247,770.94
Expenses incurred	**R0550**	293,793,184.54	11,560,169.44															305,353,353.98
Other expenses	**R1200**																	
Total expenses	**R1300**																	305,353,353.98

		Line of Business for: life obligations						**Life reinsurance obligations**		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**				47,500,327.76					47,500,327.76
Reinsurers' share	**R1420**				25,099,251.50					25,099,251.50
Net	**R1500**				22,401,076.26					22,401,076.26
Premiums earned										
Gross	**R1510**				46,898,294.74					46,898,294.74
Reinsurers' share	**R1520**				23,732,449.09					23,732,449.09
Net	**R1600**				23,165,845.65					23,165,845.65
Claims incurred										
Gross	**R1610**				41,926,937.40	-30,245,609.67		-1,355,892.75		10,325,434.98
Reinsurers' share	**R1620**				30,784,673.93	-2,560,719.84		445,234.19		28,669,188.28
Net	**R1700**				11,142,263.47	-27,684,889.83		-1,801,126.94		-18,343,753.30
Changes in other technical provisions										
Gross	**R1710**	-9,761,562.97				5,251,094.60				-4,510,468.37
Reinsurers' share	**R1720**	-2,552,152.49				-4,286,997.04				-6,839,149.53
Net	**R1800**	-7,209,410.48				9,538,091.64				2,328,681.16
Expenses incurred	**R1900**	22,713.94			6,688,528.82	-600,165.11		0.00		6,111,077.66
Other expenses	**R2500**									
Total expenses	**R2600**									6,111,077.66

S.05.02

Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - life obligations				
	R1400			(AE) United Arab Emirates	(IL) Israel	(BE) Belgium	(AU) Australia	(GB) United Kingdom
		C0220	C0280	C0230	C0230	C0230	C0230	C0230
Premiums written								
Gross	R1410	11,575,612.57	27,630,098.22	1,203,836.08	13,756.14	10,650,154.91	0.00	4,186,738.51
Reinsurers' share	R1420	8,094,072.89	16,923,386.68	0.00	9,699.25	7,264,334.38	0.00	1,555,280.16
Net	R1500	3,481,539.69	10,706,711.55	1,203,836.08	4,056.90	3,385,820.53	0.00	2,631,458.35
Premiums earned								
Gross	R1510	11,323,474.39	27,214,633.12	1,110,182.50	13,483.80	10,449,866.56	0.00	4,317,625.86
Reinsurers' share	R1520	7,602,522.16	15,739,777.97	0.00	9,110.21	6,823,173.43	0.00	1,304,972.16
Net	R1600	3,720,952.23	11,474,855.15	1,110,182.50	4,373.58	3,626,693.13	0.00	3,012,653.70
Claims incurred								
Gross	R1610	-3,254,731.29	6,233,671.30	115,732.28	-3,789.94	-2,519,345.71	0.00	11,895,805.95
Reinsurers' share	R1620	6,702,222.10	24,499,768.48	-13,298.75	8,031.37	6,015,164.81	0.00	11,787,648.96
Net	R1700	-9,956,953.39	-18,266,097.18	129,031.03	-11,821.31	-8,534,510.52	0.00	108,157.00
Changes in other technical provisions								
Gross	R1710	1,860,712.44	-4,510,468.37	0.00	2,229.72	-6,730,947.36	0.00	357,536.83
Reinsurers' share	R1720	-1,519,086.85	-5,728,315.40	0.00	-1,820.34	-3,915,514.91	0.00	-291,893.30
Net	R1800	3,379,799.29	1,217,847.03	0.00	4,050.06	-2,815,432.45	0.00	649,430.13
Expenses incurred	R1900	1,178,950.26	1,673,834.60	192,050.17	1,394.39	-238,173.93	0.00	539,613.70
Other expenses	R2500							
Total expenses	R2600		1,673,834.60					

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - non-life obligations				
	R0010			(AE) United Arab Emirates	(IL) Israel	(BE) Belgium	(AU) Australia	(GB) United Kingdom
		C0080	C0140	C0090	C0090	C0090	C0090	C0090
Premiums written								
Gross - Direct Business	R0110	150,979,952.85	324,612,003.53	1,599,866.92	623,949.19	133,440,608.77	1,532,235.89	36,435,389.91
Gross - Proportional reinsurance accepted	R0120	17,285,905.25	1,007,589,109.77	683,301,016.06	91,606,745.96	81,114.60	164,784,222.46	50,530,105.45
Gross - Non-proportional reinsurance accepted	R0130	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinsurers' share	R0140	123,141,639.24	727,181,546.70	353,331,040.54	356,426.14	109,442,575.86	83,185,155.38	57,724,709.54
Net	R0200	45,124,218.85	605,019,566.60	331,569,842.45	91,874,269.01	24,079,147.51	83,131,302.96	29,240,785.82
Premiums earned								
Gross - Direct Business	R0210	154,830,618.28	333,439,265.72	2,228,542.79	655,954.10	137,220,790.68	1,504,252.20	36,999,107.67
Gross - Proportional reinsurance accepted	R0220	17,707,075.58	915,261,003.29	628,700,372.70	93,838,740.37	83,090.95	129,373,652.34	45,558,071.35
Gross - Non-proportional reinsurance accepted	R0230	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinsurers' share	R0240	125,700,623.86	682,945,077.89	324,196,168.55	375,668.62	111,892,543.95	65,481,825.67	55,298,247.25
Net	R0300	46,837,070.00	565,755,191.12	306,732,746.94	94,119,025.85	25,411,337.68	65,396,078.88	27,258,931.77
Claims incurred								
Gross - Direct Business	R0310	135,342,205.67	293,445,218.68	2,952,805.38	540,339.21	120,091,039.67	664,654.95	33,854,173.80
Gross - Proportional reinsurance accepted	R0320	9,018,526.11	712,540,890.64	548,597,953.57	47,793,726.63	42,319.69	80,918,312.42	26,170,052.24
Gross - Non-proportional reinsurance accepted	R0330	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinsurers' share	R0340	91,685,463.29	558,710,951.45	302,254,711.30	307,257.18	81,764,941.79	42,318,212.91	40,380,364.98
Net	R0400	52,675,268.49	447,275,157.87	249,296,047.65	48,026,808.66	38,368,417.58	39,264,754.45	19,643,861.06
Changes in other technical provisions								
Gross - Direct Business	R0410	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross - Proportional reinsurance accepted	R0420	16,864.03	106,314.18	0.00	89,371.02	79.13	0.00	0.00
Gross - Non-proportional reinsurance accepted	R0430	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinsurers' share	R0440	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	R0500	16,864.03	106,314.18	0.00	89,371.02	79.13	0.00	0.00
Expenses incurred	R0550	6,907,228.00	180,516,103.00	86,142,032.00	49,005,952.00	-2,280,038.00	35,178,788.00	5,562,141.00
Other expenses	R1200							
Total expenses	R1300		180,516,103.00					

S.12.01

Life and Health SLT Technical Provisions

			Index-linked and unit-linked insurance			Other life insurance				Accepted reinsurance		Health insurance (direct business)					
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations		**Total (Life other than health insurance, incl. Unit-Linked)**		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	**Total (Health similar to life insurance)**
		C0020	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0150**	**C0160**	**C0170**	**C0180**	**C0190**	**C0200**	**C0210**
Technical provisions calculated as a whole	**R0010**																
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0020**																
Technical provisions calculated as a sum of BE and RM																	
Best Estimate																	
Gross Best Estimate	**R0030**						60,992,440.00			521,930.00	61,514,370.00		68,229,440.00		106,867,170.00	7,213,470.00	182,310,080.00
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**						8,382,810.00			5,818,430.00	14,201,240.00		10,520,040.00		21,821,440.00	4,038,020.00	36,379,500.00
Best estimate minus recoverables from reinsurance/SPV and Finite Re	**R0090**						52,609,630.00			-5,296,500.00	47,313,130.00		57,709,400.00		85,045,730.00	3,175,450.00	145,930,580.00
Risk margin	**R0100**					7,450,140.00				84,670.00	7,534,810.00	534,310.00			747,670.00	48,380.00	1,330,360.00
Amount of the transitional on Technical Provisions																	
Technical provisions calculated as a whole	**R0110**																
Best Estimate	**R0120**																
Risk margin	**R0130**																
Technical provisions - total	**R0200**					68,442,580.00				606,600.00	69,049,180.00	68,763,750.00			107,614,840.00	7,261,850.00	183,640,440.00

S.17.01

Non-life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	**R0010**																	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0050**																	
Technical provisions calculated as a sum of BE and RM																		
Best Estimate																		
Premium provisions																		
Gross - Total	**R0060**	-87,996,630.00	-42,379,190.00											-4,461,570.00				-134,837,390.00
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**	253,269,900.00	-41,424,710.00											454,890.00				212,300,080.00
Net Best Estimate of Premium Provisions	**R0150**	-341,266,530.00	-954,480.00											-4,916,460.00				-347,137,470.00
Claims provisions																		
Gross - Total	**R0160**	550,715,210.00	113,167,300.00											199,200.00				664,081,710.00
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**	279,180,510.00	47,448,470.00											1,378,880.00				328,007,860.00
Net Best Estimate of Claims Provisions	**R0250**	271,534,700.00	65,718,830.00											-1,179,680.00				336,073,850.00
Total Best estimate - gross	**R0260**	462,718,580.00	70,788,110.00											-4,262,370.00				529,244,320.00
Total Best estimate - net	**R0270**	-69,731,830.00	64,764,350.00											-6,096,140.00				-11,063,620.00
Risk margin	**R0280**	25,602,220.00	1,950,690.00											80,670.00				27,633,580.00
Amount of the transitional on Technical Provisions																		
TP as a whole	**R0290**																	
Best Estimate	**R0300**																	
Risk margin	**R0310**																	
Technical provisions - total																		
Technical provisions - total	**R0320**	488,320,800.00	72,738,800.00											-4,181,700.00				556,877,900.00
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**	532,450,410.00	6,023,760.00											1,833,770.00				540,307,940.00
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	**R0340**	-44,129,610.00	66,715,040.00											-6,015,470.00				16,569,960.00

S.19.01
Non-life Insurance Claims Information

Line of business	Z0010	(25) Non-proportional
Accident year / Underwriting year	Z0020	(1) Accident year
Currency	Z0030	-
Currency conversion	Z0040	(2) Reporting currency

Gross Claims Paid (non-cumulative) - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Prior	R0100																
N-14	R0110																
N-13	R0120																
N-12	R0130											-100.00					
N-11	R0140										-1,040.00						
N-10	R0150									-11,040.00							
N-9	R0160							250.00									
N-8	R0170						3,150.00										
N-7	R0180					4,420.00											
N-6	R0190				9,800.00												
N-5	R0200			3,785,850.00													
N-4	R0210		17,180,670.00														
N-3	R0220																
N-2	R0230																
N-1	R0240																
N	R0250																

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100		
	R0110		
	R0120		
	R0130		-100.00
	R0140		-1,040.00
	R0150		-11,040.00
	R0160		250.00
	R0170		3,150.00
	R0180		4,420.00
	R0190		9,800.00
	R0200		3,785,850.00
	R0210		17,180,670.00
	R0220		
	R0230		
	R0240		
	R0250		
Total	R0260		20,971,960.00

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Prior	R0100																
N-14	R0110																
N-13	R0120																
N-12	R0130																
N-11	R0140																
N-10	R0150																
N-9	R0160																
N-8	R0170																
N-7	R0180																
N-6	R0190																
N-5	R0200																
N-4	R0210																
N-3	R0220	[illegible]	[illegible]	[illegible]	[illegible]												
N-2	R0230	[illegible]	[illegible]	[illegible]													
N-1	R0240	[illegible]	[illegible]														
N	R0250	[illegible]															

Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0360
	R0100	
	R0110	0.00
	R0120	0.00
	R0130	0.00
	R0140	0.00
	R0150	0.00
	R0160	0.00
	R0170	0.00
	R0180	0.00
	R0190	0.00
	R0200	0.00
	R0210	0.00
	R0220	[illegible]
	R0230	[illegible]
	R0240	[illegible]
	R0250	[illegible]
Tot	R0260	[illegible]

Non-life Insurance Claims Information

Line of business	Z0010	(37) 1 and 13 Medical
Accident year / Underwriting year	Z0020	(1) Accident year
Currency	Z0030	-
Currency conversion	Z0040	(2) Reporting currency

Gross Claims Paid (non-cumulative) - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Prior	R0100																
N-14	R0110									113,320.00	356,950.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
N-13	R0120								147,590.00	49,920.00	114,240.00	[illegible]	[illegible]	[illegible]	[illegible]		
N-12	R0130							150,150.00	186,950.00	214,250.00	177,250.00	[illegible]	[illegible]	[illegible]			
N-11	R0140						289,270.00	313,500.00	75,430.00	78,370.00	116,080.00	[illegible]	[illegible]				
N-10	R0150					5,768,020.00	3,557,210.00	43,410.00	129,950.00	92,840.00	115,770.00	[illegible]					
N-9	R0160				16,392,270.00	4,152,930.00	-151,430.00	234,960.00	129,980.00	148,060.00	11,120.00						
N-8	R0170			34,487,050.00	11,259,140.00	533,220.00	302,680.00	304,210.00	276,090.00	49,380.00							
N-7	R0180		178,052,540.00	29,044,330.00	7,568,790.00	4,403,360.00	404,040.00	266,300.00	54,180.00								
N-6	R0190	260,136,270.00	298,030,360.00	35,048,550.00	4,920,450.00	638,150.00	251,900.00	77,700.00									
N-5	R0200	645,400,440.00	341,856,450.00	19,753,120.00	2,417,050.00	1,284,580.00	235,440.00										
N-4	R0210	782,420,230.00	340,802,270.00	21,358,370.00	5,322,730.00	685,630.00											
N-3	R0220	894,321,580.00	344,954,670.00	21,198,240.00	2,448,530.00												
N-2	R0230	842,410,120.00	285,999,020.00	14,418,050.00													
N-1	R0240	991,783,740.00	220,497,870.00														
N	R0250	888,079,730.00															

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100		
	R0110	[illegible]	[illegible]
	R0120	[illegible]	[illegible]
	R0130	[illegible]	[illegible]
	R0140	[illegible]	[illegible]
	R0150	[illegible]	[illegible]
	R0160	[illegible]	[illegible]
	R0170	[illegible]	[illegible]
	R0180	[illegible]	[illegible]
	R0190	[illegible]	[illegible]
	R0200	[illegible]	[illegible]
	R0210	[illegible]	[illegible]
	R0220	[illegible]	[illegible]
	R0230	[illegible]	[illegible]
	R0240	[illegible]	[illegible]
	R0250	888,079,730.00	888,079,730.00
Total	R0260	1,126,614,490.00	7,568,235,850.00

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Prior	R0100																
N-14	R0110	[illegible]															
N-13	R0120	[illegible]															
N-12	R0130	[illegible]															
N-11	R0140	[illegible]															
N-10	R0150	[illegible]															
N-9	R0160	[illegible]															
N-8	R0170	[illegible]															
N-7	R0180	[illegible]															
N-6	R0190	[illegible]															
N-5	R0200	[illegible]															
N-4	R0210	[illegible]															
N-3	R0220	[illegible]															
N-2	R0230	[illegible]															
N-1	R0240	[illegible]															
N	R0250	476,340,010.00															

Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0360
	R0100	
	R0110	[illegible]
	R0120	[illegible]
	R0130	[illegible]
	R0140	[illegible]
	R0150	[illegible]
	R0160	[illegible]
	R0170	[illegible]
	R0180	[illegible]
	R0190	[illegible]
	R0200	[illegible]
	R0210	[illegible]
	R0220	[illegible]
	R0230	[illegible]
	R0240	[illegible]
	R0250	463,952,280.00
Tot	R0260	550,756,930.00

Non-life Insurance Claims Information

Line of business	Z0010	(38) 2 and 14 Income
Accident year / Underwriting year	Z0020	(1) Accident year
Currency	Z0030	-
Currency conversion	Z0040	(2) Reporting currency

Gross Claims Paid (non-cumulative) - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Prior	R0100																
N-14	R0110									48,420.00	81,760.00	325,530.00	750.00	16,670.00	51,710.00		
N-13	R0120								215,250.00	216,970.00	175,460.00	61,190.00	14,530.00	51,560.00			
N-12	R0130							271,010.00	167,630.00	595,990.00	186,120.00	8,040.00	60,640.00	1,710.00			
N-11	R0140						364,700.00	161,320.00	127,440.00	100,060.00	19,760.00	14,970.00	280.00				
N-10	R0150					2,869,260.00	2,021,730.00	901,240.00	316,660.00	47,630.00	102,960.00	1,590.00					
N-9	R0160				5,008,350.00	1,636,120.00	2,048,940.00	1,407,590.00	76,530.00	105,920.00	1,400.00						
N-8	R0170			9,879,150.00	5,314,010.00	2,122,670.00	681,140.00	320,270.00	47,360.00	370.00							
N-7	R0180		16,620,110.00	12,167,010.00	4,843,490.00	1,533,320.00	617,860.00	269,410.00	890.00								
N-6	R0190	10,598,680.00	20,299,160.00	12,390,760.00	5,734,330.00	2,576,390.00	1,038,840.00	121,760.00									
N-5	R0200	5,291,720.00	16,856,160.00	9,478,830.00	4,892,320.00	893,780.00	405,720.00										
N-4	R0210	9,455,120.00	13,966,350.00	10,020,600.00	5,212,910.00	416,920.00											
N-3	R0220	8,769,020.00	7,737,110.00	7,705,860.00	612,500.00												
N-2	R0230	2,217,130.00	7,494,620.00	1,007,760.00													
N-1	R0240	3,150,530.00	1,589,120.00														
N	R0250	2,521,770.00															

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100		
	R0110		524,840.00
	R0120		734,960.00
	R0130	1,710.00	1,291,140.00
	R0140	280.00	788,530.00
	R0150	1,590.00	6,261,070.00
	R0160	1,400.00	10,284,850.00
	R0170	370.00	18,364,970.00
	R0180	890.00	36,052,090.00
	R0190	121,760.00	52,759,920.00
	R0200	405,720.00	37,818,530.00
	R0210	416,920.00	39,071,900.00
	R0220	612,500.00	24,824,490.00
	R0230	1,007,760.00	10,719,510.00
	R0240	1,589,120.00	4,739,650.00
	R0250	2,521,770.00	2,521,770.00
Total	R0260	6,681,790.00	246,758,220.00

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount)

Development year

Year		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Prior	R0100																
N-14	R0110										688,270.00			-49,040.00	-163,350.00	-723,990.00	
N-13	R0120									1,118,180.00	1,485,200.00		-21,020.00	3,650.00	9,780.00		
N-12	R0130								1,998,380.00	1,949,260.00		-71,550.00	2,270.00	-1,810.00			
N-11	R0140							2,879,620.00	3,010,200.00		-23,740.00	88,790.00	33,260.00				
N-10	R0150						4,391,170.00	7,305,750.00		340,710.00	731,900.00	749,480.00					
N-9	R0160					8,221,620.00	3,167,490.00		243,940.00	506,240.00	2,049,830.00						
N-8	R0170				17,565,060.00	10,274,280.00	-15,520.00	1,755,530.00	3,377,510.00	3,311,370.00							
N-7	R0180			13,663,190.00	19,113,630.00	28,938,310.00	1,814,230.00	4,054,670.00	3,162,750.00								
N-6	R0190		33,850,420.00	-14,635,330.00	14,624,140.00	3,239,020.00	5,165,520.00	4,056,250.00									
N-5	R0200	58,823,290.00	32,720,640.00	30,959,640.00	5,498,330.00	8,478,020.00	6,453,950.00										
N-4	R0210	81,197,350.00	50,768,750.00	12,808,780.00	13,571,240.00	10,389,740.00											
N-3	R0220	50,683,190.00	21,446,870.00	18,031,180.00	12,008,460.00												
N-2	R0230	63,543,980.00	18,887,820.00	15,647,580.00													
N-1	R0240	31,553,740.00	20,033,420.00														
N	R0250	42,042,190.00															

Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

		Year end (discounted data)
		C0360
	R0100	
	R0110	-79,570.00
	R0120	9,260.00
	R0130	-1,720.00
	R0140	31,510.00
	R0150	710,020.00
	R0160	1,941,910.00
	R0170	3,137,030.00
	R0180	2,996,230.00
	R0190	3,842,690.00
	R0200	6,134,760.00
	R0210	9,871,760.00
	R0220	11,376,210.00
	R0230	14,893,490.00
	R0240	19,028,500.00
	R0250	39,881,510.00
Tot	R0260	113,773,590.00

S.23.01

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35		C0010	C0020	C0030	C0040	C0050
Ordinary share capital (gross of own shares)	R0010	75,341,580.00	75,341,580.00		0.00	
Share premium account related to ordinary share capital	R0030	139,605,350.00	139,605,350.00		0.00	
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	113,119,433.00	113,119,433.00			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160	28,661,917.00				28,661,917.00
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that shall 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 shall 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	356,728,280.00	328,066,363.00		0.00	28,661,917.00
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	356,728,280.00	328,066,363.00		0.00	28,661,917.00
Total available own funds to meet the MCR	R0510	328,066,363.00	328,066,363.00		0.00	
Total eligible own funds to meet the SCR	R0540	356,728,280.00	328,066,363.00		0.00	28,661,917.00
Total eligible own funds to meet the MCR	R0550	328,066,363.00	328,066,363.00		0.00	
SCR	R0580	314,285,796.48				
MCR	R0600	78,571,449.12				
Ratio of Eligible own funds to SCR	R0620	113.5044%				
Ratio of Eligible own funds to MCR	R0640	417.5389%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	356,728,280.00
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	243,608,847.00
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	113,119,433.00
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	7,586,000.00
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	47,221,090.00
Total EPIFP	R0790	54,807,090.00

S.25.01

Solvency Capital Requirement - for undertakings on Standard Formula

Article 112? (Y/N)	**Z0010**	(2) Regular reporting

Basic Solvency Capital Requirement

		Net solvency capital requirement	USP	Simplifications
		C0030	**C0090**	**C0120**
Market risk	**R0010**	102,351,581.00		No
Counterparty default risk	**R0020**	41,491,342.40		
Life underwriting risk	**R0030**	3,873,321.58	No	No
Health underwriting risk	**R0040**	186,728,054.20	No	No
Non-life underwriting risk	**R0050**	0.00	No	No
Diversification	**R0060**	-82,902,936.42		
Intangible asset risk	**R0070**	0.00		
Basic Solvency Capital Requirement	**R0100**	251,541,362.76		

Calculation of Solvency Capital Requirement		**C0100**
Operational risk	**R0130**	62,744,433.78
Loss-absorbing capacity of technical provisions	**R0140**	0.00
Loss-absorbing capacity of deferred taxes	**R0150**	0.00
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	**R0160**	0.00
Solvency Capital Requirement excluding capital add-on	**R0200**	314,285,796.54
Capital add-on already set	**R0210**	0.00
Solvency capital requirement	**R0220**	314,285,796.54
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 Requirement for ring fenced funds	**R0420**	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	**R0430**	
Diversification effects due to RFF nSCR aggregation for article 304	**R0440**	

S.28.02

Minimum Capital Requirement - Both life and non-life insurance activity

		Non-life activities	Life activities
		MCR(NL,NL) Result	MCR(NL,L)Result
		C0010	C0020
Linear formula component for non-life insurance and reinsurance obligations	R0010	51,610,103.07	0.00

		Non-life activities		Life activities	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0030	C0040	C0050	C0060
Medical expense insurance and proportional reinsurance	R0020	0.00	825,959,904.00	0.00	0.00
Income protection insurance and proportional reinsurance	R0030	64,764,336.91	49,462,907.90	0.00	0.00
Workers' compensation insurance and proportional reinsurance	R0040	0.00	0.00	0.00	0.00
Motor vehicle liability insurance and proportional reinsurance	R0050	0.00	0.00	0.00	0.00
Other motor insurance and proportional reinsurance	R0060	0.00	0.00	0.00	0.00
Marine, aviation and transport insurance and proportional reinsurance	R0070	0.00	0.00	0.00	0.00
Fire and other damage to property insurance and proportional reinsurance	R0080	0.00	0.00	0.00	0.00
General liability insurance and proportional reinsurance	R0090	0.00	0.00	0.00	0.00
Credit and suretyship insurance and proportional reinsurance	R0100	0.00	0.00	0.00	0.00
Legal expenses insurance and proportional reinsurance	R0110	0.00	0.00	0.00	0.00
Assistance and proportional reinsurance	R0120	0.00	0.00	0.00	0.00
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0.00	0.00	0.00	0.00
Non-proportional health reinsurance	R0140	0.00	638,442.00	0.00	0.00
Non-proportional casualty reinsurance	R0150	0.00	0.00	0.00	0.00
Non-proportional marine, aviation and transport reinsurance	R0160	0.00	0.00	0.00	0.00
Non-proportional property reinsurance	R0170	0.00	0.00	0.00	0.00

		Non-life activities	Life activities
		MCR(L,NL) Result	MCR(L,L) Result
		C0070	C0080
Linear formula component for life insurance and reinsurance obligations	R0200	0.00	4,058,118.41

		Non-life activities		Life activities	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0090	C0100	C0110	C0120
Obligations with profit participation - guaranteed benefits	R0210	0.00		0.00	
Obligations with profit participation - future discretionary benefits	R0220	0.00		0.00	
Index-linked and unit-linked insurance obligations	R0230	0.00		0.00	
Other life (re)insurance and health (re)insurance obligations	R0240	0.00		193,243,733.88	
Total capital at risk for all life (re)insurance obligations	R0250		0.00		0.00

Overall MCR calculation		C0130
Linear MCR	R0300	55,668,221.40
SCR	R0310	314,285,796.48
MCR cap	R0320	141,428,608.42
MCR floor	R0330	78,571,449.12
Combined MCR	R0340	78,571,449.12
Absolute floor of the MCR	R0350	6,700,000.00
Minimum Capital Requirement	R0400	78,571,449.12

Notional non-life and life MCR calculation		Non-life activities	Life activities
		C0140	C0150
Notional linear MCR	R0500	51,610,103.07	4,058,118.33
Notional SCR excluding add-on (annual or latest calculation)	R0510	291,374,897.89	22,910,898.59
Notional MCR cap	R0520	131,118,704.05	10,309,904.37
Notional MCR floor	R0530	72,843,724.47	5,727,724.65
Notional Combined MCR	R0540	72,843,724.47	5,727,724.65
Absolute floor of the notional MCR	R0550	2,700,000.00	4,000,000.00
Notional MCR	R0560	72,843,724.47	5,727,724.65