

First Central Group Limited and First Central Underwriting Limited

Combined Solvency and Financial Condition Report

For year ended 31st December 2023

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INTRODUCTION

This document is the Solvency and Financial Condition Report ('SFCR') of First Central Group Limited ('FCG') and its subsidiary First Central Underwriting Limited ('1CU'), previously known as Skyfire Insurance Company Limited, as at 31st December 2023, and was prepared with the purpose of satisfying the Solvency II public disclosure requirements under the Financial Services (Insurance Companies) Regulations 2020.

FCG is the holding company the First Central Group (the 'Group'), an insurance and technology group registered in Guernsey, and 1CU is the Group's insurance undertaking registered in Gibraltar.

The structure of this report follows that as set out in Annex XX of the Commission Delegated Regulation (EU) 2015/35 (the 'Delegated Regulation') and contains a range of regulatory disclosures that support information presented in the Annual Quantitative Reporting Templates ('AQRTs').

This SFCR is compliant with Article 359 and contains the information referred to in Articles 290 to 298 of the Delegated Regulation.

The report is not intended to provide a comprehensive review of FCG and 1CU's business and the market in which they operate, how the business is managed, or performance of the business during the year. This information is detailed in the 2023 audited Financial Statements.

EXECUTIVE SUMMARY

This document presents the view of FCG and 1CU. The elements of the disclosure relate to business performance, governance, risk profile, solvency and capital management.

The sections of the SFCR are briefly summarised below:

Section A – Business and Performance

This section contains an overview of FCG and 1CU's business, underwriting and investment performance. 1CU offered motor insurance to the UK market and remained focused on maintaining technical discipline and underwriting performance during 2023.

Market dynamic risks in relation to price movements and the impact on FCG and 1CU's competitive position are monitored on a daily and weekly basis through FCG's Management Governance Framework. Price increases within the UK Personal Lines Motor market seen in the latter part of 2022 continued in 2023, particularly in H2. FCG and 1CU had prudently put through rate increases in early 2023 whilst the market was slower to react, putting strain on 1CU's competitive position. The market then "caught up" its

pricing inflation in H2, improving FCG and 1CU's competitive position significantly and allowing additional rate increases to be put through FCG's (non-technical) retail margin.

FCG's 2023 Full Year Adjusted Earnings Before Interest Taxes Depreciation and Amortisation* ('Adjusted EBITDA') was £50.3m, which was £23.0m or 84% favourable to 2022. 1CU's 2023 Full Year Adjusted EBITDA was £23.1m, which was £10.3m or 80% favourable to 2022. Both of these were partly driven by delivery of internal initiatives, which improves Pricing, Underwriting and Claims performance alongside retail margin and increased competitiveness. In addition, the market hardening mentioned above allowed FCG and 1CU to improve competitiveness and strengthen retail margin in H2, whilst putting through appropriate technical price increases to manage claims inflation.

FCG's investment and interest income and related expenses in 2023 were £8.5m (2022: £4.7m). 1CU's investment income in 2023 was £4.3m (2022: £5.1m). £8.0m of FCG and £3.3m of 1CU's investment and interest income in 2023 was interest earned on Core Portfolio and Money Market Funds ('MMF') investments, which increased year on year due to disinvesting a large proportion of investments into cash equivalents combined with an increase in interest rates. Loan interest income decreased in 2023 compared to 2022 due to a one-off profit share recognised on the loan to a property development company in 2022.

* EBITDA adjusted for non-controlling interest, share based payments and any exceptional one-off costs

Section B – System of Governance

This section describes the roles, functions and responsibilities of the Board and its committees, and the internal control and policy framework. The Own Risk and Solvency Assessment ('ORSA') process is explained in detail, as well as how the Internal Control System, Internal Audit function, Actuarial function and outsourcing are implemented.

Section C – Risk Profile

The FCG Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The FCG Board has delegated the development, implementation, and maintenance of the Group's risk management framework to the Group Audit Committee ('GAC') for the purposes of reviewing and reporting on the overall effectiveness of this system. The 1CU Board is responsible for setting 1CU's risk appetite, has aligned itself to the framework and has delegated the oversight of the 1CU risk environment to the Audit, Risk and Corporate Governance Committee ('ARCGC').

FCG and 1CU's risk profiles identified that the principal risks to the companies include:

- Underwriting risk, inadequate premium and inappropriate reserving.
- An increase in excess of loss reinsurance premium and reinsurance default risk.
- Market risk in relation to investments.
- Credit and liquidity risk.

- Operational risk including outsourcing and information security.

These risks are captured and appropriately controlled, monitored and reported on within the business under a 'Three Lines of Defence' approach.

The FCG and 1CU Boards (the '**Boards**') are satisfied that the business is adequately prepared for, and robust enough to weather, any plausible stress scenarios without material detriment to stakeholders.

Section D – Valuation for Solvency Purposes

This section provides information on the valuation of FCG and 1CU's Assets, Liabilities and Equity on their respective Solvency II balance sheets including detail of the valuation methodologies applied and any adjustments made to convert from a GAAP to Solvency II basis.

Section E – Capital Management

Both FCG and 1CU have continuously complied with the Solvency Capital Requirement ('**SCR**') and Minimum Capital Requirement ('**MCR**') throughout the year.

As at the 31st December 2023, FCG held own funds of £191.7m compared to the SCR of £109.5m, resulting in a SCR coverage of 175.1% (2022: own funds £122.1m, SCR £80.4m and SCR coverage 151.9%). As at the 31st December 2023, 1CU held own funds of £144.8m compared to the SCR of £87.8m, resulting in a SCR coverage of 164.8% (2022: own funds £110.5m, SCR £71.8m, and SCR coverage 153.9%).

The FCG and 1CU AQRs are provided in Appendices to the SFCR.



Michael Lee

Group Chief Executive Officer
First Central Group Limited



Alberto Chumillas

Managing Director
First Central Underwriting Limited

Date: 17 May 2024

A - BUSINESS AND PERFORMANCE

A.1 Business

FCG is an unlisted, private limited company based in Guernsey, whose subsidiaries sell and underwrite motor insurance and related products in the UK market. FCG is classified as an insurance holding company under Solvency II and the Group is subject to supervision by the Gibraltar Financial Services Commission ('GFSC').

1CU is a Gibraltar-based insurance undertaking, limited by shares and wholly owned by FCG. 1CU is authorised by the GFSC to underwrite the following insurance classes in the United Kingdom:

Class	Type of insurance business
3	Land vehicles
7	Goods in transit
8	Fire and natural forces*
9	Damage to property*
10	Motor vehicle liability
13	General liability*
16	Miscellaneous financial loss
17	Legal expenses
18	Assistance

*Classes added 30/11/2023 following GFSC approval.

1CU's insurance products are distributed by First Central Insurance Management Limited ('FCIM'), a UK-based insurance intermediary authorised and regulated by the Financial Conduct Authority ('FCA'). FCIM is also a wholly owned subsidiary of FCG.

The contact details of the supervisory authority are:

Gibraltar Financial Services Commission

PO Box 940
Suite 3, Atlantic Suites
Gibraltar
Tel: +350 200 40283
www.fsc.gi

The contact details of the external auditor are:

Deloitte LLP
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Regency Court
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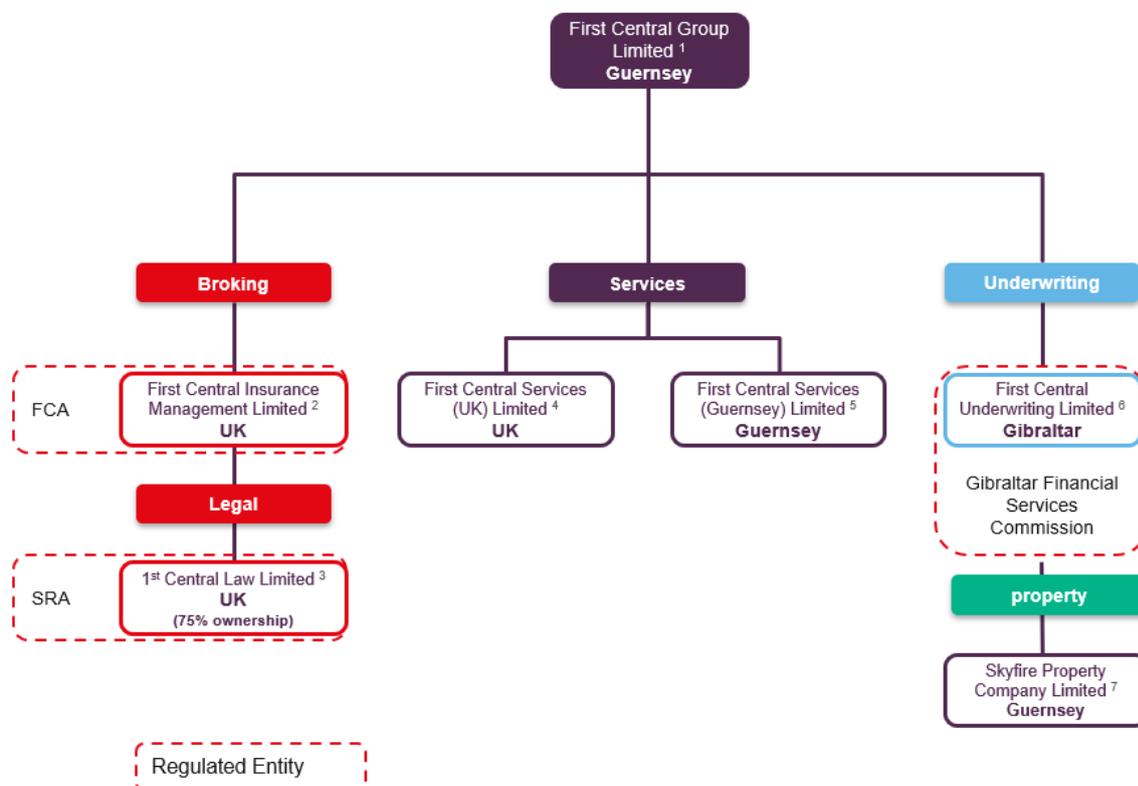
Deloitte Limited
(Gibraltar)

Floor 3, 120 Irish Town
Gibraltar, GX11 1AA
Tel: +350 200 41200
www.deloitte.com

FCG shareholders with qualifying holdings (>10%) are:

Kenneth Acott
Patrick Tilley
Peter Creed

The chart below shows the Group's structure as at 31st December 2023. FCG owns 100% of the entities within the Group, except 1st Central Law Limited, of which FCIM owned 75% as at 31st December 2023 (87% as at the date of this report).



Skyfire Reinsurance Company Limited and Skyfire Property Holdings PCC Limited were successfully dissolved with effect from 4 January 2023 and are not included in the above chart.

1. **First Central Group Limited:** Group Holding Company and ultimate parent company of all Group subsidiaries.
2. **First Central Insurance Management Limited:** General insurance intermediary and premium finance provider.
3. **1st Central Law Limited:** Former provider of legal services to FCIM customers to support relevant claims. Currently in run-off.
4. **First Central Services (UK) Limited:** Responsible for providing non-regulated functions (inc. HR, Finance and IT support) to the Group.
5. **First Central Services (Guernsey) Limited:** Service company that manages, develops and distributes FCG's IT systems to administer the entire insurance distribution, underwriting and processing functions.
6. **First Central Underwriting Limited:** Formerly Skyfire Insurance Company Limited. Underwrites the Group's insurance policies.
7. **Skyfire Property Company Limited:** Historically a property investment holding company, which was a subsidiary of 1CU. It was successfully dissolved with effect from 3 January 2024.

Company	Jurisdiction	Function
First Central Group Limited ('FCG')	Guernsey	Provides strategic advisory services including corporate objectives and annual business planning, culture and value, risk management and capital support and corporate governance. It also owns and licenses the core Group intellectual property including Focus, the data platform, the First Central brand and related intellectual property.
First Central Underwriting Limited ('1CU')	Gibraltar	General insurer of the Group's UK general insurance book.
First Central Insurance Management Limited ('FCIM')	UK	Intermediary arranging policies of insurance, claims handler, premium finance provider and provider of debt recovery, product governance, commercial and trading reporting, complaints handling, counter fraud and brand management services.
First Central Services (UK) Limited ('FCS (UK)')	UK	Provides back-office support services including HR, legal, solvency and capital management, financial reporting, financial planning, MI and data, business change and IT services and operations. Management of repair network and vehicle salvage arrangements.
First Central Services (Guernsey) Limited ('FCS (Gsy)')	Guernsey	Provides (non-regulated) insurance intermediary services via the insurance platform which collates, uses and analyses data across quotes, broking, claims and provides other development and on-going support in relation to the platform. Also provides instalment collection services.
1st Central Law Limited ('1CL')	UK	A former ABS (Alternative Business Structure) between FCIM and Horwich Cohan Coghlan (75% owned by FCIM as at 31 st December 2023), providing First Central policyholders with legal support following an accident. As at the date of this report, FCIM's ownership of 1CL has increased to 87% and First Central has ceased providing legal services to customers through 1CL, having entered into an agreement to move all existing work and future legal services referrals to a new third-party partner.
Skyfire Property Company Limited ('SPCL')	Gibraltar	Historically a property investment holding company, which was a subsidiary of 1CU. It was successfully dissolved with effect from 3 January 2024.

Significant events during the reporting period

- **Inflationary environment in the UK**

Although inflation levels have improved in 2023 (with the Consumer Price Index ('CPI') dropping to 3.9% in December 2023 from 10.5% in December 2022), an adverse impact upon claims inflation was observed, primarily within Third Party and Customer Damage claims, where 1CU along with the rest of the market have continued to experience increased repair labour rates and increased part prices. Elongated repair times, due to both delays in parts supply and repairer capacity issues, have also been observed, which has in turn caused an increase to credit hire durations.

The commensurate hardening of premium rates to reflect this claims inflation started in late 2022 and continued into 2023 in response to the underlying inflationary pressure. Through the rigorous monitoring of the trading and claims environment, the Boards are comfortable that any further impacts from this are included in the forecasts of business performance for 2024.

The FCG Board also approved additional cost of living payments to colleagues, reflecting the impact of the inflationary environment upon them.

- **Consumer Duty**

In order to comply with the Consumer Duty regulatory requirements in force since 31 July 2023, 1CU and FCIM have completed all the reviews necessary to meet their obligations under the Duty. The Duty results in a move from acting to deliver "fair" to acting to deliver "good" outcomes for customers with particular emphasis on cross-cutting rules, enhanced customer understanding and support, higher standards of care for vulnerable customers, outcomes testing (a methodical approach of objectively assessing whether a system or process results in a defined outcome) and Board oversight.

A.2 Underwriting Performance

1CU motor premium, written in the UK via freedom of services from Gibraltar, was £641m for the year ended 31st December 2023 (2022: £522m).

Whilst delivery of the 2023 Business Plan has been impacted by significant macroeconomic disruption and regulatory change, 1CU has reacted swiftly to the changeable markets, traded well and maintained change agility, despite prevailing uncertainty. Having continued to invest heavily in colleagues, data and technology to deliver an effortless customer experience, operational improvements and enhanced capabilities that ensure the rigorous running of the business, the Boards are confident in 1CU's ability to continue to deliver the sustainable growth and profitability targeted in the Business Plan.

Inflationary conditions, both on indemnity spend and general cost base, have continued to remain at higher than 'normal' levels in 2023. 1CU has been quick to react to observed claims severity increases, adjusting claims severity inflation assumptions (for pricing and reserving) throughout 2023, moving quickly to minimise loss ratio deterioration by putting through additional rate increases, strengthening reserves, and responding to the price/claims experience lag.

General inflation and the impact on cost of living has also influenced consumer behaviour, which is expected to persist, including reduced mileage, fewer new vehicle registrations and increased shopping around.

Market hardening has been significant in 2023, particularly in H2 as the market responded to claims inflation and under-pricing in 2022. The Group acted prudently in putting through 1CU technical and FCIM retail rate increases whilst the market had been slower to react, putting strain on 1CU's competitive position in early 2023. In H2, 1CU's competitive position improved significantly as the market 'caught up' its pricing inflation, allowing the Group to put through additional rate increases through retail margin to support profit per policy.

FCG's 2023 Full Year Adjusted EBITDA was £50.3m, which was £23.0m or 84% favourable to 2022. 1CU's 2023 Full Year Adjusted EBITDA was £23.1m, which was £10.3m or 80% favourable to 2022. This was partly driven by delivery of internal initiatives, which improves Pricing, Underwriting and Claims performance alongside retail margin and increased competitiveness. In addition, the market hardening mentioned above allowed FCG and 1CU to improve its competitive position in H2 and strengthen the Group's retail margin, whilst putting through appropriate 1CU technical price increases to manage claims inflation.

1CU's best estimate reserves for accident years 2022 and prior saw adverse development over the course of 2023. This arose primarily because of inflationary pressure on damage-related claims, particularly third-party damage. Inflationary pressure on bodily injury claims was also observed, both attritional and large, again with assumed severities increasing over 2023.

The loss ratio for the 2023 accident year is lower than 2022 as significant 1CU technical rate increases partially offset the claims inflationary pressures seen across the market.

Overall Performance of FCG and 1CU

Below is a table outlining the profitability of FCG split by technical and non-technical elements.

Statement of Comprehensive Income	FCG (£m)	
	Year ended 31 st Dec 2023	Year ended 31 st Dec 2022*
Net earned premiums	56.2	62.2
Commissions, fees, and expense contributions	356.7	295.3
Investment income and related expenses	8.5	4.7
Total revenue	365.2	300.0
Total technical income	421.4	362.1
Claims incurred, net of reinsurance	(153.1)	(154.8)
Operating expenses	(218.0)	(180.1)
Adjusted EBITDA	50.3	27.3
Amortisation, depreciation and non-operating expenses	(24.6)	(20.8)
Finance costs	(6.3)	(1.7)
Profit before tax	19.4	4.7
Tax	6.2	(1.6)*
Profit after tax	25.6	3.1*

* FCG's Statement of Comprehensive Income for the year ended 31st Dec 2022 has been restated to reflect the derecognition of intangible assets previously shown within the subsidiaries, whose ownership lies with FCG. As such, FCG has recognised the amortisation on these assets rather than the subsidiaries. This has led to a change in the Group's tax charge.

Below is a table outlining the profitability of 1CU split by technical and non-technical elements.

Statement of Comprehensive Income	1CU (£m)	
	Year ended 31 st Dec 2023	Year ended 31 st Dec 2022*
Earned premiums, net of reinsurance	73.3	93.4
Other technical income	155.4	94.7
Claims incurred, net of reinsurance	(158.4)	(155.1)
Net operating expenses	(52.5)	(25.7)*
Technical result	17.8	7.3*
Investment income	4.3	5.1
Investment expenses and charges	(0.2)	(0.2)
Profit before tax	21.9	12.2*
Tax	(1.8)	(1.3)*
Profit after tax	20.1	10.9*

* 1CU's Statement of Comprehensive Income for the year ended 31st Dec 2022 has been restated to reflect the derecognition of intangible assets previously shown within 1CU, whose ownership lies with FCG. As a result, 1CU reversed previously incurred amortisation on these assets and the associated tax on this amortisation.

Included within the technical result was 1CU's share of FCIM's income as part of the Group's transfer pricing arrangements.

A.3 Investment Performance

FCG's investment income and related expenses were £8.5m (2022: £4.7m) in 2023. 1CU's investment income in 2023 was £4.3m (2022: £5.1m). £8.0m of FCG's and £3.3m of 1CU's investment and interest income in 2023 was interest earned on Core Portfolio and MMF investments, which increased year on year due to disinvesting a large proportion of investments into cash equivalents combined with an increase in interest rates. Loan interest income decreased in 2023 compared to 2022 due to exceptional profit share recognised on the loan to a property development company in 2022.

The table below shows a breakdown of FCG Investment Income and Related Expenses.

FCG	Year ended 31 st Dec 2023 (£m)	Year ended 31 st Dec 2022 (£m)
Loan interest income	0.1	3.9
Interest income	8.0	1.4
Realised loss on investments	0.0	(0.8)
Unrealised gain on investments	0.6	0.4
Investment management fees	(0.2)	(0.2)
Investment income and related expenses	8.5	4.7

The table below shows a breakdown of 1CU Investment Income.

1CU	Year ended 31 st Dec 2023 (£m)	Year ended 31 st Dec 2022 (£m)
Loan interest income	0.0	3.8
Interest income	3.3	0.7
Realised loss on investments	(0.9)	(0.7)
Unrealised gain on investments	0.7	2.1
Profit/(loss) on derivative financial instruments	1.2	(0.8)
Investment income	4.3	5.1

A.4 Performance of Other Activities

Nothing to report.

A.5 Any Other Information

Nothing to report.

B - SYSTEM OF GOVERNANCE

B.1. General Information on the System of Governance

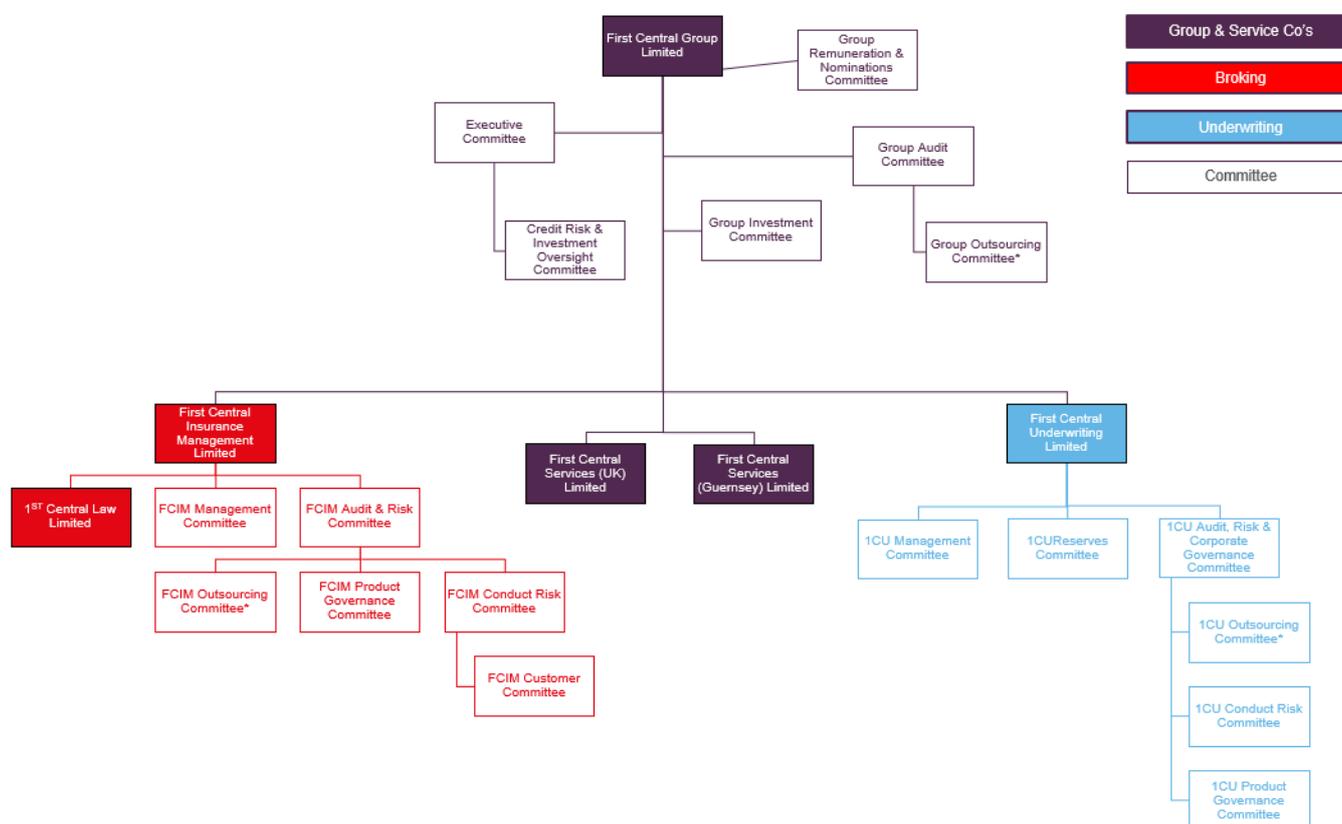
The FCG Board is responsible for ensuring the long-term, sustainable success of the Group and is the principal decision-making body for the Group. To achieve this, the Board oversees governance arrangements across the Group which are set out through FCG's Corporate Policies. The 1CU and FCIM Boards have responsibility for the governance of 1CU and FCIM respectively, which must align with minimum expectations set by the FCG Board.

The Boards have delegated authority to a number of Committees empowered to oversee the governance of key risk areas of the Group, in accordance with approved Terms of Reference.

FCG's principal committees are: Group Remuneration and Nominations Committee ('**RemNomCo**'), Group Investment Committee ('**GIC**'), Group Audit Committee ('**GAC**') and Group Executive Committee ('**ExCo**').

1CU's principal committees are: Audit, Risk, and Corporate Governance Committee ('**ARCGC**'), 1CU Management Committee ('**1CU ManCo**') and 1CU Reserves Committee ('**1CU RC**').

FCG monitors 1CU's adherence to the above-mentioned standards through GAC, which also has responsibility for overseeing the performance of the ARCGC.



* Group, FCIM and 1CU Outsourcing Committees are Management Committees that report directly to their respective Audit Committees.

The main responsibilities of the Boards, Committees, meetings and forums are as follows:

FCG Board and Sub-Committees

FCG Board

The FCG Board's main focus is to formulate and oversee the strategic direction of the Group, the Group capital management, and to consider and review the Group's operational and financial performance.

Group Audit Committee ('GAC')

GAC's core responsibilities include, but are not limited to:

- Examine and report on the level of assurance provided by the Group's risk, internal audit and control environment.
- Review the Group's annual financial statements and financial reporting process.
- Review the ORSA.
- Engage with external auditors and advisors where appropriate.
- Oversee the Group's compliance with applicable laws and regulations.

Group Investment Committee ('GIC')

GIC oversees and monitors the overall performance of investments made on the Group's behalf, in line with the investment guidelines. GIC also monitors the:

- Investment policies of individual subsidiaries to ensure they comply with the Group Investment Policy.
- Performance and adherence of investments against agreed investment risk appetite.
- Performance of the investment portfolio manager.
- Amount, purpose and terms of intra-Group loans.
- The performance of the strategic asset allocation.

Group Remuneration and Nominations Committee ('RemNomCo')

RemNomCo has been delegated authority to review and consider the composition of Boards, Committees and the nomination of members thereto. RemNomCo has also been delegated authority to review and consider the Group's remuneration and advise on specific remuneration structures.

Subsidiary Boards and Sub-Committees

First Central Underwriting Limited Board ('1CU Board')

The 1CU Board is responsible for setting and overseeing 1CU's delivery against its Business Plan. The 1CU Board is also responsible for supporting the delivery of related objectives from the wider Group Business Plan. To support the above, the 1CU's main responsibilities are to:

- Oversee and monitor Key Performance Indicators ('KPIs') and key business metrics in alignment with the strategy, risk appetite and annual budget which reflect the requirement of key stakeholders, including the Group, policyholders and regulators.
- Oversee colleague and community engagement.
- Review and approve the annual financial statements.
- Review and take decisions on key matters to deliver key objectives.

- Approve significant expenditure, in alignment with the Delegation of Authority Policy.

1CU Audit, Risk and Corporate Governance Committee ('ARCGC')

ARCGC's core responsibilities include, but are not limited to:

- Examine and report on the level of assurance provided by 1CU's risk, internal audit and control environment.
- Review the annual 1CU financial statements and financial reporting processes. Review and input into the ORSA.
- Engage with external auditors where appropriate.
- Oversee 1CU's compliance with applicable laws and regulations.

1CU Reserves Committee ('1CU RC')

1CU RC is responsible for reviewing 1CU's claims experience and developing patterns to consider appropriate ultimate reserving provisions for payment of future claims liabilities in conjunction with the reviews by internal and external actuaries. 1CU RC's main responsibilities are to:

- Consider reports from the internal and external actuaries.
- Recommend to the Board an appropriate Ultimate Loss Ratio ('ULR'), on both a gross and net basis on an accident year and underwriting year basis, and therefore recommend the level of ultimate reserving provisions for the payment of future claims liabilities.
- Consider and recommend any other relevant technical matter brought to the Committee in relation to underwriting premiums and resulting ULRs.
- Monitor reserving risks and escalate to the Board and ARCGC as appropriate.
- Recommend the appointment, and monitor the effectiveness of, the external actuary.

1CU Conduct Risk Committee ('1CU CRC')

The purpose of the 1CU CRC is to:

- Oversee the 1CU approach to ensuring that it meets the needs of customers with good conduct outcomes.
- Ensure that resources, policies and procedures enable the achievement of good outcomes for customers.
- Ensure that risks to good outcomes are managed appropriately.

1CU Product Governance Committee ('1CU PGC')

1CU PGC has been established to provide strategic reviews, performance monitoring and due consideration as to the suitability of insurance products offered by 1CU. 1CU PGC provides oversight of 1CU products during their lifecycle, with specific regard given to the interests of its customers on a quarterly basis.

First Central Insurance Management Board ('FCIM Board')

FCIM Board's core responsibilities include, but are not limited to:

- Guiding and overseeing the alignment of FCIM's business performance to that of the Group's Business Plan.
- Considering and approving FCIM's key objectives, KPIs and business metrics (reflecting Group requirements).
- Reviewing and evaluating FCIM's adherence to core processes, controls and policies in effect across the business.

FCIM Audit and Risk Committee ('ARC')

ARC's core responsibilities include, but are not limited to:

- Examining and reporting on the level of assurance provided by FCIM's risk, internal audit and control environment.
- Reviewing and recommending for approval the FCIM annual financial statements.
- Assessing internal and external audit reports prepared in respect of FCIM.
- Engaging with external auditors where appropriate.

FCIM Product Governance Committee ('FCIM PGC')

The PGC is a sub-committee of the ARC established to provide strategic reviews, performance monitoring and due consideration as to the suitability of insurance products, or any relevant ancillary service offered by FCIM. The PGC provides oversight of FCIM products during their lifecycle, and how they meet the needs of its customers on a quarterly basis.

FCIM Conduct Risk Committee ('FCIM CRC')

The purpose of the FCIM CRC is to:

- Oversee the FCIM approach to ensuring that it meets the needs of customers with good conduct outcomes.
- Ensure that resources, policies and procedures enable the achievement of good outcomes for customers.
- Ensure that risks to good outcomes are managed appropriately.

FCIM Customer Committee ('FCIM CC')

The purpose of the FCIM Customer Committee is to:

- To maintain oversight, governance and assurance regarding decisions and priorities relevant to customers to ensure the customer is at the heart of the business and its decision making.
- To ensure that the business provides good customer outcomes as set out by the FCA's new Consumer Duty policy.
- To ensure ongoing compliance to changing regulatory landscapes.

First Central Services (Guernsey) Board ('FCS (Gsy) Board')

FCS (Gsy) Board's core responsibilities include, but are not limited to:

- Guiding and overseeing the alignment of FCS (Gsy)'s business performance to that of the Group's Business Plan.
- Reviewing and overseeing the principal activities of the company (i.e. the provision of technology services to other Group companies).
- Reviewing and evaluating alignment of FCS (Gsy) regarding the appropriate adherence to core processes, controls and policies in effect across the business.

First Central Services (UK) Board ('FCS (UK)' Board')

FCS (UK) Board's core responsibilities include, but are not limited to:

- Guiding and overseeing the alignment of FCS (UK)'s business performance to that of the Group's Business Plan.
- Reviewing and overseeing the principal activities of the company (i.e. providing HR, solvency and capital management, financial reporting, financial planning, management information and data, business change and IT services to other Group companies).
- Reviewing and evaluating alignment of FCS (UK) regarding the appropriate adherence to core processes, controls and policies in effect across the business.

1st Central Law Board ('1CL Board')

1CL Board is responsible for setting and overseeing the successful delivery against the Board approved Business Plan. 1CL Board is also responsible for supporting the delivery of related objectives from the wider FCIM and Group Business Plans.

Executive and Senior Management Groups and Forums

Executive Committee ('ExCo')

To manage the day-to-day execution of the Business Plan. The ExCo meet on a frequent (typically weekly) basis to guide and monitor the implementation of objectives, deliverables, policies and other key processes. A more formal monthly ExCo meeting is also held to monitor the Group's performance against the Business Plan through the KPIs set under each of the five strategic drivers.

The ExCo is responsible for the delivery of Group corporate objectives, KPIs and business metrics and is the principal executive forum to oversee the performance of the Group.

The ExCo reviews proposals from across the business in line with Group Delegated Authority Policy and acts as the formal escalation route of the business to Group Boards and Committees.

Group Credit Risk, Investment Oversight Committee ('CRIOC')

The ExCo has established a formal sub-committee, CRIOC, to manage the credit risk exposures of the Group, comprising reinsurance, investment, capital management and customer exposures, and to consider the levels of exposure as well as the creditworthiness of counterparties.

Group Outsourcing Committee ('OsCo')

The primary purpose of OsCo is to ensure that Group's outsourcing arrangements are effectively monitored and reviewed and remain fit for purpose, and have oversight of outsourced activities, through monitoring of the service quality review process, in line with the agreed Service Level Agreements ('SLAs').

1CU Management Committee ('1CU ManCo')

1CU Board has established a 1CU ManCo to manage and formalise the collective decision making between the Regulated Individuals and Management Forums outside of Board meetings, acting within authority levels agreed by the 1CU Board.

1CU Outsourcing Committee ('1CU OsCo')

The primary purpose of the 1CU OsCo is to ensure that 1CU's outsourcing arrangements are effectively monitored and reviewed and remain fit for purpose, and have oversight of outsourced activities, through monitoring of the service quality review process, in line with the agreed SLAs.

FCIM Management Committee ('FCIM ManCo')

FCIM Board has established a FCIM ManCo to manage and formalise the collective decision making between the Senior Managers and Management Forums outside of entity Board meetings, acting within authority levels agreed by the FCIM Board.

FCIM Outsourcing Committee ('FCIM OsCo')

The primary purpose of the FCIM OsCo is to ensure that FCIM's outsourcing arrangements are effectively monitored and reviewed and remain fit for purpose, and have oversight of outsourced activities, through monitoring of the service quality review process, in line with the agreed SLAs.

The 'Three Lines of Defence Model'

As part of the RM Framework and the implementation of its Internal Control Policy, the FCG Board has implemented a Three Lines of Defence Model throughout the Group. The responsibilities of the Three Lines are as follows:

First Line of Defence: Management ('First Line')

The First Line is accountable for the day-to-day management of risk and is responsible for identifying and managing controls as part of its accountability for achieving objectives. This is achieved through implementing the risk management and internal control management system.

Second Line of Defence: Risk Management and Compliance ('Second Line')

The Second Line is formed of the Risk Management and Compliance functions, who specialise in the management of risk and provide the policies, frameworks, tools, techniques, and support to facilitate the effective management of risk by the First Line. It is also responsible for providing internal assurance that the risk management and internal control system are operating effectively and provide an advisory service to the First Line on Risk and Compliance matters.

Third Line of Defence: Internal Audit ('Third Line')

The Third Line provides independent assurance to the Boards regarding the effectiveness and adequacy of governance, risk management and internal control in the Group, across both First and Second lines. The FCG Board appointed an external provider, Mazars LLP ('**Mazars**'), up until the end of 2023, to fulfil the Internal Audit function. The day-to-day performance of this service was overseen by the Internal Audit Director, a new role created during 2023. This new role provides greater focus and scrutiny of the outsourced function, which will be supported through the appointment of Grant Thornton LLP ('**GT**') for the delivery of the 2024 Internal Audit Plan. This brings a systematic, independent, and disciplined approach to the assurance provided to the Board.

Material changes in the system of governance

Considerable progress in improving the risk frameworks at Group and entity level was made in 2023, in relation to controls documentation and implementing a First Line control testing methodology.

Group:

The Interim Group Chief Financial Officer was appointed following the resignation of the Group Chief Financial Officer in January 2023.

FCG ManCo was dissolved in Q4 2023 and its responsibilities were transferred to 1CU and FCIM ManCos.

1CU:

An independent Non-Executive Director ('NED') was appointed as the Chairman of the 1CU Board in 2023. The holders of the Compliance and Internal Audit functions have changed and the 1CU Operations Manager was appointed to fulfil the regulated role of Chief Operating Officer.

The 1CU Chairman was appointed as Consumer Duty Champion in 2023.

FCIM:

The FCIM Customer Committee became operational in 2023.

The FCIM Chairman was appointed as Consumer Duty Champion in 2023.

Remuneration Policy

RemNomCo has responsibility for reviewing and approving specific remuneration and advising on the specific remuneration structures of all FCG, 1CU and FCIM Executive Directors, nominated senior members of the management team, as well as all employees collectively so as to:

- a) ensure that all colleagues are fairly rewarded for their individual performance and contribution to the Group's overall performance (based upon its objectives); and
- b) demonstrate that the pay of Executive members is objectively reviewed by a committee chaired by an independent NED.

Remuneration includes salary, incentives (including share incentive plans), bonus, pension, benefits, terms and conditions and contract of employment, discretionary payments, compensatory or settlement terms on loss of office or payments to be made on retirement or resignation.

The remuneration of all Executive Directors and NEDs is considered and approved by RemNomCo as appropriate.

Distributions to the Group

No dividend was paid from 1CU or FCIM to FCG during the reporting period.

Pension and Early Retirement Schemes

FCG did not operate any enhanced pension arrangements or early retirement schemes during the reporting period.

Material Related Party Transactions

On 23rd December 2020, Cell Charles Street, a cell within Skyfire Property Holdings PCC Limited ('SPH'), was converted to a standalone company, Charles Street Investment Limited ('CSIL'). CSIL was deconsolidated from the Group during 2021. For the period ended 31st December 2023, 1CU's loan of

£2.5m to CSIL, which continues to be secured over CSIL's ordinary shareholding in an unquoted property holding company, was extended to be repayable on 31st December 2024 and following agreement of a sale price for the property in Q1 2024 was impaired by £0.4m. In conjunction with this, FCG's loans to shareholders of CSIL, totalling £1.6m, which are also secured by the property holding company, were fully impaired during 2023.

B.2 Fit and Proper Requirements

FCG has adopted similar principles to those of the FCA's Senior Managers and Certification Regime ('**SM&CR**') applicable to FCIM, and the GFSC's Regulated Individuals Regime ('**RIR**') applicable to 1CU and has clearly documented accountabilities in line with good practice.

Whilst there is no formal definition of what constitutes 'Fit and Proper', the following criteria is used when undertaking Fit and Proper assessments:

- Honesty, integrity and reputation (e.g. prudent approach to business, good reputation, no convictions for fraud or dishonesty, no regulatory sanctions, regulatory approval);
- Competence, ability to conduct business and organisation (e.g. experience, knowledge, no conflicts of interest that cannot be reasonably mitigated); and
- Financial position (e.g. no history of personal bankruptcy, no history of association with corporate bankruptcy).

Process for assessing fitness and propriety

The Boards ensure that all Board members, and other key function holders / RIR Function Holders are assessed to ensure that they fulfil fit and proper requirements upon appointment and annually thereafter.

Upon appointment, this includes reviewing the curriculum vitae of the candidate, an in-depth interview, obtaining references (both personal and professional), and carrying out due diligence checks. Due diligence checks include verification of identification and address, and searches on due diligence databases. The candidate is also asked to declare any interests so the relevant Board can review whether they conflict with FCG's and / or 1CU's interests. All conflicts of interest identified are recorded on the Conflicts Register and reviewed by the Board on an annual basis. The disclosure of any new conflicts is requested at each Board meeting.

B.3 Risk Management System

FCG and 1CU have implemented a 'Three Lines of Defence' approach to Risk Management and recognise the importance of managing risks faced in the pursuit of its business objectives. The definition of risk adopted by the Group is "*the effect of uncertainty on objectives*", which is a derivation of the ISO 31000 Risk Management standard definition of risk. FCG and 1CU apply the Group's Risk Management Framework ('**RM Framework**'), along with supporting policies and procedures. The Group Risk and

Compliance Director and Chief Governance Officer are responsible for ensuring that the RM Framework is implemented and embedded appropriately, and to provide support and training. 1CU also applies the RM Framework along with supporting policies and procedures tailored for 1CU. The Group Risk and Compliance Director liaises with the 1CU Risk Management Function Holder regularly to ensure that the RM Framework is implemented appropriately and to provide support and training.

The purpose of the RM Framework is to provide a systematic approach to risk identification and management. It is reviewed from time to time to take account of the changing environment in which FCG and 1CU operate. The RM Framework revolves around the Risk Registers, which contain details of all risks and controls identified for FCG and 1CU, and the RM Framework includes a process for monitoring the implementation and efficacy of the controls.

Risk Management Process

The risk management process is consistent with ISO 31000 and is comprised of five elements:

- 1) **Identification;**
- 2) **Assessment;**
- 3) **Response;**
- 4) **Monitoring; and**
- 5) **Reporting.**

Risks are assessed on a pre-control (inherent) and post-control (residual) basis using a matrix of impact ('I') and likelihood ('L') scores to arrive at a Critical, High, Moderate or Low rating. The amount of risk the Boards will tolerate in the business, which is defined in the Group Risk Appetite Statement, is also considered in the target rating which is arrived at using the same matrix.

During the reporting period 1CU's solo and Group's solvency calculations were completed and ARCGC, GAC and Boards were engaged as necessary to ensure that the solo and Group SCR were continuously met. 1CU ensures that risks to its solvency are monitored and managed through the risk management process.

Risk Management ('RM') Roles and Responsibilities

FORUM	RESPONSIBILITIES
FCG Board	<ul style="list-style-type: none"> Ultimate responsibility for Group RM and business risks Sets Group RM culture Sets Group RM policy Sets Group risk appetites and tolerances
1CU Board	<ul style="list-style-type: none"> Responsibility for 1CU RM and business risks Sets RM culture Sets RM policy Sets risk appetites and tolerances
FCIM Board	<ul style="list-style-type: none"> Responsibility for FCIM RM and business risks Sets RM culture Sets RM policy Sets risk appetites and tolerances
GAC	<ul style="list-style-type: none"> Responsibility for RM across the Group Oversee RM culture Oversee Group RM policy Monitors Group risk appetites and tolerances Escalates risk to the FCG Board where necessary
ARCGC	<ul style="list-style-type: none"> Delegated oversight of RM from 1CU Board Reviews business risk profile Monitors risk appetites and tolerances Escalates risk to the 1CU Board where necessary
ARC	<ul style="list-style-type: none"> Delegated oversight of RM from FCIM Board Reviews business risk profile Monitors risk appetites and tolerances Escalates risk to the FCIM Board where necessary
Group Risk Management Function	<ul style="list-style-type: none"> Oversight and challenge of risk management activity across the Group Ensures consistent application of the RM Framework across all entities Reports on the effectiveness of the RM Framework to GAC Advises on RM best practice Design and implementation of RM training
Risk Management Regulated Individual Function Holder	<ul style="list-style-type: none"> Ensures the Risk Registers are maintained, including challenging or removing risks Confirms emerging risks are relevant and appropriate

	<p>Ensures appropriate actions are taken if a breach has occurred, or is likely to occur</p> <p>Monitors Risk Owner activity</p>
Risk Owners	<p>Regularly assess their risks, considering control environment, any incidents and progress on any mitigating actions, ensuring that both impact and likelihood are up to date</p> <p>Identify, manage, and monitor emerging risks</p> <p>Maintain risks within risk appetite and act if a breach has occurred, or is likely to occur</p> <p>Monitor control owners' activity</p>
Control Owners	<p>Review controls to ensure they reflect current processes and any changes</p> <p>Assess and provide evidence of control efficacy</p>

Risk Management interactions are shown in the diagram below:



B.4 Own Risk Solvency Assessment ('ORSA' or 'the Assessment')

The GFSC undertakes supervision at the ultimate holding-company level and thus both FCG and 1CU are responsible for completing the combined ORSA, which is an internal process covering the view of the consolidated Group as well as 1CU, as the insurance company subject to Solvency II.

The ORSA's main purpose is to ensure that FCG and 1CU assess all the risks inherent to their businesses and determine the corresponding capital needs or identify other means needed to mitigate these risks.

In particular, the ORSA considers situations in which FCG and 1CU may be stressed. This is to examine whether the capital needs and mitigation measures necessary in these scenarios are sufficient to ensure that the business is prepared for, and robust enough to withstand, adverse conditions without material detriment to stakeholders. The capital need identified to run FCG and 1CU is assessed by management using its own internal models, which are deemed to be prudent, and is termed the Economic Capital Requirement ('ECR').

While the Risk Registers focus on risks from a bottom-up perspective, the ORSA takes a top-down approach, linking business objectives, business risks, risk appetites and tolerances, business planning and capital planning together. The results of the ORSA also feed back into the risk management process, ensuring that all risks identified are incorporated into the assessment, management, monitoring and reporting cycle.

An ORSA is carried out at least annually on the assumption that the solvency needs and capital position are not volatile, and the business' risk profile is stable. However, the Boards will consider undertaking a revised ORSA in specific circumstances which include, but are not limited to:

- A material change to 1CU's reinsurance arrangements (not included within a previous ORSA);
- A variance to Gross Written Premium ('GWP') in the Business Plan of >20%, whether up or down;
- Business decision to launch new products or enter a new jurisdiction (not included within a previous ORSA);
- An adverse breach of risk tolerance for an area of risk in which the stated Risk Appetite is 'averse', which is accepted rather than mitigated;
- A change which would result in a breach of solvency requirements or SCR cover tolerance; and/or
- Other circumstances that the Boards, ARCGC, GAC and/or ExCo feel is sufficient to justify a new ORSA being undertaken.

The ORSA is embedded into the business and capital planning processes. The Business Plan, or latest available reforecast, is used to calculate the regulatory capital requirement (from the SCR calculation) and the ECR (from the ORSA), both of which are considered by the relevant Board alongside the Business Plan. The ORSA report containing the results and conclusions of the ORSA process is approved by the Boards, ARCGC and GAC, ahead of submission to the GFSC.

B.5 Internal Control System

The Internal Control Policy documents the procedures within the Group, to ensure there is an effective internal control framework in place. The internal control system is managed through both the effective operation of the systems of governance in place within the Group, as well as through the 'Three Lines of Defence' model implemented by the Group.

The internal control framework is broadly defined as the processes effected by the Board which are designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations in view of FCG's and 1CU's risks and objectives;
- Availability and reliability of financial and non-financial information; and
- Compliance with applicable laws, regulations, and administrative provisions.

Internal control consists of five interrelated components:

- **Control environment:** sets the tone of an organisation through the Business Plan, risk appetite and risk profile;
- **Risk assessment:** understanding the assessment of the risks which exist which would impact on FCG's and/ or 1CU's ability to achieve their objectives;
- **Control activities:** policies and procedures that help FCG and 1CU ensure necessary actions are taken to address risks to achieve their objectives;
- **Information and Communication:** pertinent information must be identified, captured and communicated in a form and timeframe that allows relevant individuals to carry out their responsibilities; and
- **Monitoring:** internal control systems need to be monitored to assess their effectiveness over time. This is accomplished through ongoing monitoring activities, with deficiencies in the internal control framework reported to senior management and the Boards.

These components work to establish the foundation for sound internal control through directed leadership, shared values and a culture that emphasises accountability for control.

The Group's control environment is determined by the FCG Board, supported by the System of Governance framework described in B.1 above and the Committees which have set the tone of the organisation through the culture, principles, business planning and risk appetite. 1CU follows the standards set by the Group.

Key control activities are mapped to the risks held within the Risk Registers.

Compliance Function

The Group Risk and Compliance function is responsible for the design, implementation, monitoring, and review of the Group's Risk and Compliance processes as well as the identification and communication of any new requirements arising from changes in regulation. Group Compliance, along with Group Risk, oversees the First Line processes for identifying, owning and ongoing management of Conduct Risk, including the implementation of new regulatory requirements.

The Compliance function operates within this framework, the Group Risk and Compliance Director and the 1CU Compliance Function Holder provide regular reports to GAC, ARCGC and ARC to monitor compliance risk and appetite and escalate to the Boards as appropriate. The 1CU and FCIM Compliance Function Holders advise the ARCGC and ARC respectively, which report to the Boards, on the strategic direction for 1CU and FCIM on Compliance matters. They also provide oversight and assurance to the Board over the effectiveness of the first line areas in delivering its regulatory responsibilities and adherence to the rules and guidelines set by the GFSC, FCA and other regulatory bodies as applicable.

The Group Compliance function works with the Group Risk function, 1CU and FCIM Compliance Function Holders and 1CU and FCIM Risk Management Function Holders to provide advice and resolution to risk incidents as they arise. Management of incidents is completed in line with the Group Risk Management Policy.

B.6 Internal Audit Function

The primary role of Internal Audit is to independently and objectively assess the level of assurance that can be obtained from risk management, governance, and management's controls by evaluating whether the frameworks are operating effectively and agree recommended actions to be taken where issues are identified. Its secondary role is to provide advice to management in developing such frameworks. FCG has implemented its Group Internal Audit Charter ('GIAC') which outlines requirements and how the function will be performed.

The Internal Audit Director was appointed in 2023 and holds the Solvency II Internal Audit Function for 1CU.

The fulfilment of the internal audit programme relied on outsourced services provided by Mazars LLP across the Group during 2023, however, responsibility for the delivery of the plan and conducting, with the independent members of GAC and ARCGC, a quality review of the services provided under the outsourcing agreement, is retained internally.

The core principles of the GIAC and the outsource model are:

- **Independence**

Mazars reports, and is accountable, to GAC, ARCGC and ARC, all of which are responsible for their effectiveness and efficiency. Internal Audit acts independently of management and has a

direct reporting line to GAC, ARCGC and ARC to raise any issues identified. This allows Mazars to carry out their work effectively and to retain the independence of the function and the outputs generated.

GAC is composed of two independent NEDs, a NED and the CEO; ARCGC and ARC are composed primarily of iNEDs.

- **Audit Strategy**

The business has taken the strategic decision to move to a co-sourced Internal Audit arrangement, with the recruitment of the new Internal Audit Director during 2023. The Internal Audit strategy is being further developed to outline the vision and objectives of the Internal Audit function and demonstrate a continued commitment to robust, independent assurance.

- **Annual Plan**

Mazars prepares an annual plan based upon the audit strategy, which is presented to, and approved by, GAC, ARCGC and ARC. This outlines the audits to be performed in the forthcoming year. The scope and frequency of audits included within the annual plan takes previous year audit results into consideration, along with a risk assessment of business activities, materiality and the adequacy of systems of internal control. The annual plan aims to include specific coverage of Claims, Underwriting, Finance, Operational Departments, Information Technology and Special Projects (at the request of GAC, ARCGC and ARC).

The overall performance of the closure of actions is monitored by the FCG, 1CU and FCIM Boards through the Company Objectives' KPIs, which are used to track adherence throughout the year. The KPIs are the focus point to address strategic objectives, delivery of the Business Plan and tracking of the key levers to the success of FCG, 1CU and FCIM, and are provided to respective ManCos each month and to the Boards each quarter.

- **Audit Recommendations Log**

Mazars maintains a log of all internal audit recommendations raised during audits completed. This log records the priority of the recommendations, the assigned owners and agreed completion dates. Mazars maintain the log to ensure all actions are addressed in a timely manner and provide quarterly progress reports to GAC, ARCGC and ARC.

- **Reporting**

The reports produced for each internal audit assignment are provided directly to GAC, ARCGC or ARC, as appropriate. ExCo receive copies of reports for audits with adverse opinions. The reports contain details of the audit work that has been performed, explanations of the issues or gaps identified, with proportional and appropriate recommendations, together with the relevant manager's comments. All recommendations are fully discussed with the relevant process and action owner, with target completion dates agreed.

Mazars provide a quarterly report to GAC, ARCGC and ARC, detailing work undertaken during that period against the agreed Internal Audit plan, and progress against the logged target dates for the actions identified.

B.7 Actuarial Function

1CU's actuarial function holds the responsibility for ensuring actuarial services are effectively and efficiently carried out. 1CU's Head of Reserving, the Actuarial Function Holder ('AFH'), provides regular reports to the 1CU RC, and an AFH report directly to the 1CU Board on an annual basis.

The actuarial function is responsible for:

- Calculation of technical provisions;
- Ensuring appropriate methodologies and underlying models are used, as well as verifying the assumptions made in the calculation of technical provisions are appropriate and proportionate;
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- Comparing best estimates against experience;
- Informing the Board of the reliability and adequacy of the calculation of technical provisions;
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk management system.

Each of these activities are undertaken at least annually, and the outcome reported to the 1CU Board in the AFH report.

The 1CU actuarial function also supports Group activity where required, for example the Group solvency calculation and ORSA process. Willis Towers Watson, a third-party actuarial service provider, is engaged to provide an external validation of 1CU's reserves quarterly, as well as to provide ad-hoc support on matters to inform the opinion taken by the actuarial function and 1CU RC.

During 2022, the GFSC requested that 1CU use the external independent Actuarial Best Estimate ('ABE') in the calculation of its capital position. A quarterly external actuarial review is carried out with the 1CU RC reviewing both the internal and external ABE, in order to determine the level of reserves to be held.

B.8 Outsourcing

All outsourcing arrangements within the Group are monitored by the appropriate business area, with support from the Group Procurement and Supplier Management function. FCG and 1CU view outsourcing as being the use of a third party (either an affiliated entity within the same Group or an external entity) to perform activities on a continuing basis that could be undertaken within FCG or 1CU. The third party to whom an activity is outsourced is a 'service provider'.

The Group utilises outsourcing arrangements that shall not diminish its ability to fulfil its obligations to customers, the regulators, nor impede effective supervision by any applicable regulator.

Fundamental responsibilities such as the setting of strategies and policies, the oversight of the operation of the Group's processes, and the final responsibility for customers, is not outsourced.

FCG and 1CU considers outsourcing where they see particular advantages in doing so, for example access to specialist resource, provision of services in the same jurisdiction as the customer, or cost benefits.

FCG, 1CU and FCIM have each established an outsourcing committee to provide enhanced oversight of all outsourced arrangements, including intercompany arrangements.

FCG and 1CU Material Service Providers during the reporting period:

Service Provider	Service Provided	Jurisdiction Located
Mazars LLP	Internal Audit	UK
Teleperformance Limited	Policy sales and administration (telephony)	UK and South Africa
Vanguard Vehicle Services limited	Vehicle salvage services	UK
Copart	Vehicle salvage services Contracted with FCS UK	UK
Abrdn Investment managers	Approved investment managers as selected by the GIC who manage FCG's investments	UK

In addition to the above, the following services are provided by the other legal entities in the Group to 1CU:

Service Provider	Service Provided	Jurisdiction Located
First Central Insurance Management Limited	Claims handling	UK
	Counter fraud services	
	Policy sales	
	Marketing	
	Brand management	
	Outsourced services management	
	Assistance with reinsurance activities	
First Central Services (UK) Limited	Financial Services including management, reserving, accounting, financial reporting, modelling/ business planning, solvency and capital management, taxation, treasury and investments	UK
	Business and human resources	
	Management of repair network and vehicle salvage arrangements	
	Product development	
	Procurement services and management	
	IT Services and operations	
	Facilities	
	Data management and provision of management information	
	Legal services	
	Product engineering services	
	Information security	
	Change management	
	Operational resilience and disaster recovery	

	Corporate objectives and annual business planning	
	Set and maintain the culture and values	
	Capital support	
FCG Limited	Corporate governance	Guernsey
	Trademark licence	
	Software licence (rating engine)	
	Strategic/financial oversight	
	RM Framework	
	Compliance framework	

B.9 Assessment of the Adequacy of the System of Governance

FCG and 1CU aim to continuously improve the system of governance by reviewing, evaluating, and recommending enhancements to the Board at least annually. These improvements cover enhancing and developing the systems, including the outcomes from compliance monitoring programme, root cause analysis from complaints, breaches and incidents, and incremental development as the systems mature. It considers relevant industry advice and guidelines, implementing these as appropriate for the size and complexity of the Group.

Internal and external audits provide independent evaluation of the system of governance. Recommendations from these audits are considered by GAC, ARCGC and ARC, as well as the Boards of FCG, 1CU and FCIM, and are implemented in a manner proportionate to risk profile.

The FCG and 1CU Boards and principal committees undertake an annual review of their effectiveness by completing an Annual Governance Framework Survey. Responses to the 2023 Annual Governance Framework Survey were positive overall and the governance risk for both entities was rated green. Recommended actions to further improve effectiveness and performance of the Boards were captured in an Action Tracker and monitored by the Boards on a quarterly basis. All actions identified from the 2023 Annual Governance Framework Survey were closed by both Boards in February 2024.

B.10 Any Other Information

Nothing to report.

C - RISK PROFILE

The FCG Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The FCG Board has delegated the development, implementation, and maintenance of the Group's RM Framework to GAC for the purposes of reviewing and reporting on the overall effectiveness of this system. 1CU Board has aligned itself to this framework and has delegated the oversight of the 1CU risk environment to the ARCGC.

Each risk area ('Level 1 risk') has a tolerance agreed by the FCG and 1CU Boards and by responsible executives to support management in their understanding of risk appetite and to allow for the identification of incidents, or events, which will require mitigation to avoid a breach risk appetite. For example, the tolerance for Information Security Risk (for which FCG and 1CU have a generally cautious appetite or averse when it comes to sensitive data) is aligned to the Group risk Appetite, which has been agreed with GAC and ARCGC. The information security risk methodology and assessments, backed by the implementation of best practice controls, is used to manage information security risks. KPIs and assurance reviews are designed in order to measure alignment with ISO 27001 and track automated controls, manual controls and incidents in order to allow expert review and assessment of exposure.

The efficacy of controls is assessed by the control owner and reviewed by the relevant risk owner as part of a fixed review process, in conjunction with the Risk Management Function Holder and Group Risk (where required), with the output of these reviews used to support the assessment of the Group and 1CU's exposure. In addition to this, controls are subject to independent testing on an annual basis, with the results used to drive a more granular analysis of the risk environment and any mitigating actions required to bring risks within the appetite set by the Boards.

Throughout 2023, the Group has experienced impact as a result of the inflationary environment in the UK economy, through a number of different factors. The inflationary impact that has impacted the UK economy (with the CPI of 3.9% in December 2023), primarily centred on the impact on energy prices driven by the Russian invasion of Ukraine, has had a negative impact upon claims inflation, primarily within Third Party Property Damage and Accidental Damage. This has driven increased rates in the market of c25% (from ABI figures), resulting in increased shopping around by customers and pressure upon renewal retention.

All risks covered within the SFCR consider the wider macro environment and their impact upon FCG and 1CU, including the impact of the ongoing conflicts in Ukraine and the Middle East, the current rate of inflation and stress in the UK economy and its implications on other socio-economic factors (i.e. like the increased cost of living on customers, colleagues, and the wider market) and, the evolving UK regulatory environment (i.e. like the Consumer Duty). As such, these risks are not considered to be standalone risks but a key part of the wider external risk environment in which FCG and 1CU operate.

The following risks are monitored and managed within the Group RM Framework:

C.1 Underwriting Risk

Ongoing underwriting risk for the Group is managed and monitored by the 1CU Management Governance Framework. Efficacy of controls across this RM Framework is maintained by conducting regular reviews, continuously improving mitigating measures and reporting this control cycle feedback to GAC and ARCGC.

1CU was the only insurance risk carrier in the Group during the reporting period. As the only insurer in the Group, 1CU presents an underwriting risk in circumstances where the ultimate cost of claims for the risks underwritten is significantly in excess of the premiums collected for those risks, and the regulatory solvency capital retained by it. Any shortfall in required regulatory solvency capital can be mitigated through 1CU's ability to utilise its Board approved Recovery Plan, which includes levers that raise additional solvency capital amongst others (i.e. issuing subordinated debt, extending Quota Share ('QS') reinsurance cessions, de-risking the investment portfolio, raising additional debt or of equity capital).

In addition to all the recovery levers included in the Recovery Plan, each year as part of the annual business planning process, the FCG Board formally re-affirm their commitment to ensuring that all of its subsidiaries, including 1CU, have sufficient levels of liquidity and solvency necessary to manage their respective businesses, which are recorded in the FCG Board minutes as part of the Business Plan approval.

The key risk to manage, therefore, on an ongoing basis, is the adequacy of premiums charged in relation to insurance business underwritten, reserves and capital.

In addition to premiums written as an insurer, 1CU also receives a share of the income earned by FCIM from the associated sales of ancillary product commission and instalment income, which is transferred to 1CU in line with the Group's approach to transfer pricing, which is set out in the Group's Tax Risk Management Policy.

Reinsurance

1CU relies on a QS and Excess of Loss ('**XoL**') reinsurance programme to mitigate its underwriting risk and provide greater flexibility over the volume underwritten. It mitigates its counterparty risk by applying a policy of using A- or above rated (by AM Best or S&P) reinsurers. The cession on the QS programme for 2023 was 75%, which was higher than the 60% share placed in 2022.

Reserving

FCG's reserving risk is borne and managed by 1CU as 1CU was the only insurance risk carrier in the Group during the reporting period. Inappropriate reserving could result in the claim reserves being materially inaccurate. This could result in the reserves that 1CU hold being insufficient to cover customer claims or other liability obligations owed by it. Alternatively, over-reserving could result in understating profit recognition, capital strain and inappropriate pricing impacting 1CU's competitive position.

Ongoing pricing and underwriting risks are managed and monitored by the 1CU Governance Framework. Efficacy of controls across the Framework is maintained by conducting regular reviews, continuously improving mitigating measures and reporting this control cycle feedback to GAC, ARCGC and Boards.

The 1C URC reviews and considers 1CU's ULR projections so as to recommend to the 1CU Board an appropriate ULR, on both a gross and net basis for each accident year, and its allocation to a year of account, both at the financial year end and at least quarterly intervals during the year.

C.2 Market Risk

FCG and 1CU are exposed to market risk in relation to their investments. This investment risk is mitigated by a cautious risk appetite under which FCG and 1CU invest in UK gilts, sovereigns, supranational, agency bonds, MMF and cash with a credit rating of A- or greater. Exposure to these investments is both direct and by way of managed funds. GIC regularly reviews its investment risk appetite and maintains a conservative strategy. GIC and management closely monitor all investments and receive quarterly property updates from the Group Chief Financial Officer, who is responsible for overseeing the investment and property loan portfolio. Since April 2022, Abrdn has been the Group's investment manager.

Prudent Person Principle

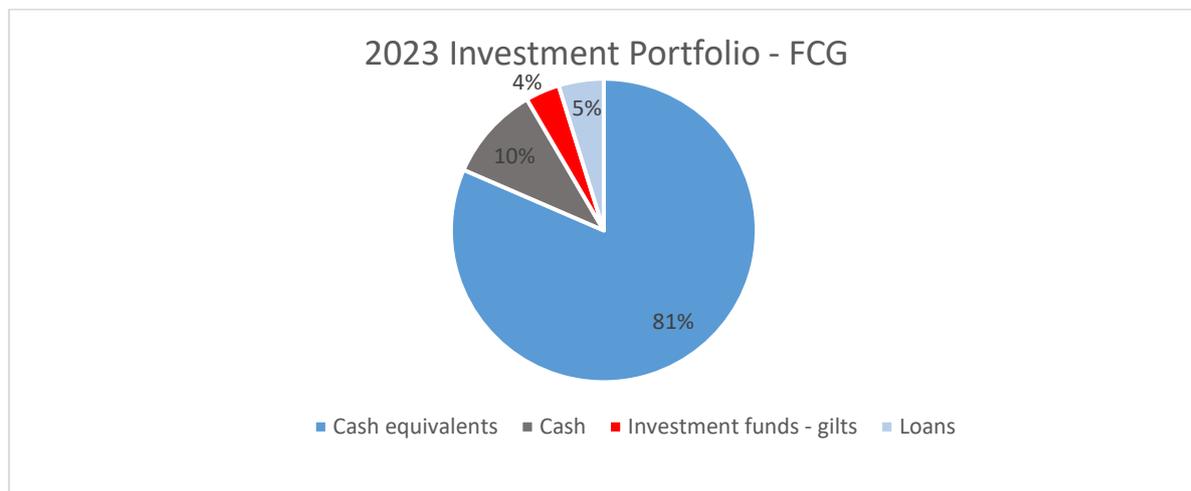
Solvency II introduced the Prudent Person Principle for managing investments. The Prudent Person Principle seeks to ensure that the industry understands and can manage its investment risks. Specifically, insurers must be able to demonstrate that they can properly identify, measure, monitor, manage, control and report on their investment risks and not place reliance upon information provided by third parties.

FCG and 1CU's risk management and strategic decision-making process in respect of asset investment is centred on GIC. GIC is an FCG Board sub-committee, which also has 1CU directors as members. The governance process for material asset investment decisions can be summarised as follows:

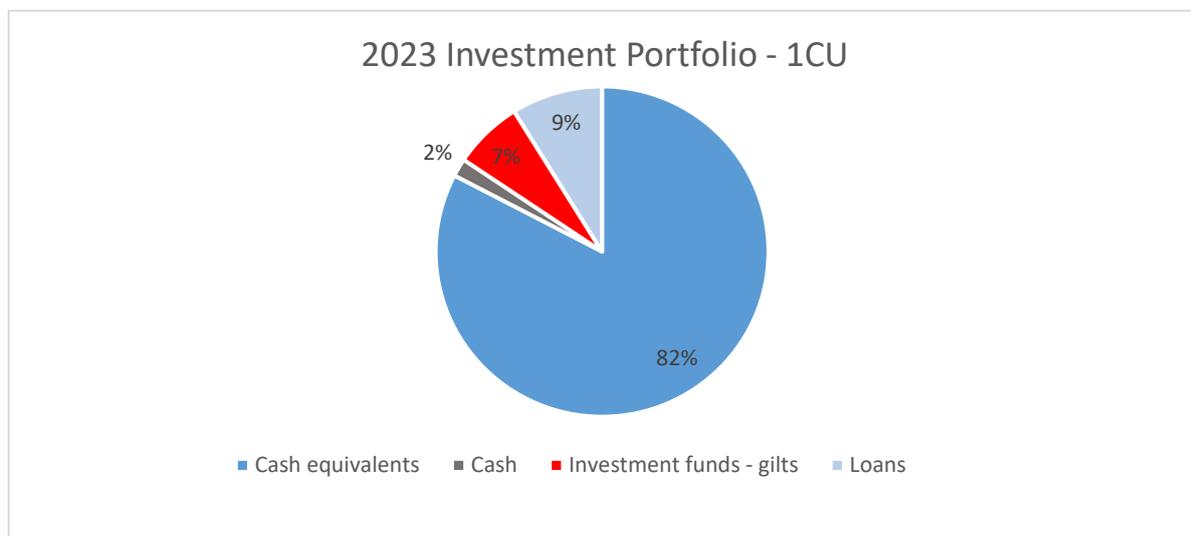
Review	<ul style="list-style-type: none"> • Management review of asset classes, asset managers and proposed assets • Factors considered include: yield, capital, asset and liability duration, diversification, credit quality, liquidity, currency, cost, tax, accounting and environment, social and governance factors
Proposal	<ul style="list-style-type: none"> • Proposals discussed at GIC • Senior management review including Group Chief Financial Officer and 1CU Finance Director
Approval	<ul style="list-style-type: none"> • Investment Policy approved by FCG and 1CU Boards
Implementation	<ul style="list-style-type: none"> • Management implement Policy • Included in the ongoing valuation, income and capital process

FCG and 1CU forecast their cash requirements over a three to five-year horizon based on the Business Plan, considering forecast claims payment patterns, contractual payments (e.g. XOL and QS reinsurance payments) and liquidity of the assets. In particular, the bond portfolio is invested in UK gilts, supranational and agency bonds which, along with the cash and cash equivalents held, are designed to approximate the nature and duration of the insurance liabilities.

FCG's investment assets are distributed as follows:



1CU's investment assets are distributed as follows:



C.3 Credit Risk

Credit risk is the risk that a counterparty will be unwilling or unable to pay amounts in full when due.

Key areas of exposure to credit risk for FCG and 1CU are:

- Reinsurers' share of insurance liabilities;
- Amounts due from reinsurers in respect of claims already paid;
- Amounts held with banks and other financial institutions; and
- Amounts due from insurance intermediaries.

All reinsurance and banking counterparties used have a credit rating of at least 'A-' and exposures are monitored against risk appetite by CRIOC.

Credit risk presented by premium owed to 1CU by FCIM is mitigated by a contractual requirement for FCIM to pay all premium due for the period policies are on risk to 1CU, whether it has been collected from policyholders or not, and by FCIM being a connected party.

C.4 Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when they are due.

Liquidity risk is assessed and monitored on a day-to-day basis, ensuring that there are sufficient funds available to meet both immediate and foreseeable cash flow requirements. This is done by reviewing balances in bank accounts and investments against expected cashflow requirements, bearing in mind maturities of investments, notice periods for withdrawals, and known substantial expenses (e.g. reinsurance premium payments). The Liquidity Risk Policy is reviewed annually and updated. Stressed and unstressed liquidity scenarios are monitored periodically.

C.5 Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, personnel, systems or from external events.

FCG and 1CU's key operational risks are:

- Ineffective information security and cyber security standards resulting in the inability to preserve the confidentiality, availability or integrity of information, both within the Group's systems and in those of suppliers and partners;
- Ineffective integration of key or strategic projects designed to improve business operations;
- Material outsourced service providers fail to provide levels of service as expected and required by the Group, affecting the Group's ability to sell policies, adequately service customers and claims;

- Financial crime risk, with particular focus on failure to prevent or detect money laundering, application fraud and claims fraud;
- Inefficient or inadequate processes, or the failure to follow defined processes results in negative impacts to key underwriting, pricing, reserving and finance outputs and deliverables; and
- Poor quality data management, relating to policy, claims and financial data, could result in inaccurate results and inappropriate decision making.

Operational risk within FCG and 1CU is identified, assessed and monitored through the RM Framework, which is overseen by GAC and ARCGC respectively; this includes reviewing controls for appropriateness and efficacy. The operational risk capital requirement is calculated using the standard formula.

C.6 Other Material Risks

Gibraltar Authorisation Regime ('GAR')

The UK and Gibraltar governments have agreed to reciprocal market access for UK and Gibraltar financial services firms. The permanent market access arrangements for Gibraltar firms are included in Chapter 22 of the UK's Financial Services Act 2021 and are subject to sectoral assessments to ascertain that the required conditions are met.

The Boards continue to monitor ongoing changes to regulation in respect of the GAR. The current estimated timeline is that the GAR will come into force in 2025/2026.

Brexit

The UK and EU signed a trade agreement prior to the end of the Brexit transition period. The Boards continue to monitor the ongoing changes that have arisen from the ratified deal particularly around concerns of any potential border frictions, as well as the development of the 'in principle deal' on Gibraltar's post-Brexit relationship with the EU.

C.7 Any Other Information

There is no other material information to disclose.

D - VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

As at 31st December 2023, FCG held the following assets:

Asset Class	GAAP Accounts Value (£m)	Solvency Valuation Adj. (£m)	Solvency Value (£m)
Investments in properties	0.1	2.1	2.2
Corporate and government bonds	0.0	0.0	0.0
Collective investment undertakings	240.1	0.7	240.8
Technical provisions – reinsurance share	693.7	(413.6)	280.1
Insurance and reinsurance receivables	371.6	(347.9)	23.7
Cash and cash equivalents	29.1	0.0	29.1
Financial investments - other loans	4.3	9.7	14.0
Other assets	133.0	(90.9)	42.1
Deferred acquisition costs	39.8	(39.8)	0.0
Deferred taxation	0.0	6.2	6.2
TOTAL	1,511.7	(873.5)	638.2

As at 31st December 2022, FCG held the following assets:

Asset Class	GAAP Accounts Value (£m)	Solvency Valuation Adj. (£m)	Solvency Value (£m)
Investments in properties	0.1	2.5	2.6
Corporate and government bonds	36.4	(8.0)	28.5
Collective investment undertakings	219.4	8.3	227.7
Technical provisions – reinsurance share	556.7	(337.2)	219.6
Insurance and reinsurance receivables	248.7	(235.9)	12.7
Cash and cash equivalents	25.2	0.1	25.3
Financial investments - other loans	17.5	(1.8)	15.6
Other assets	97.7	(66.1)	31.7
Deferred acquisition costs	34.2	(34.2)	0.0
Deferred taxation	0.0	10.6	10.6
TOTAL	1,236.0	(661.8)	574.2

As at 31st December 2023, 1CU held the following assets:

Asset Class	GAAP Accounts Value (£m)	Solvency Valuation Adj. (£m)	Solvency Value (£m)
Corporate and government bonds	0.0	0.0	0.0
Collective investment undertakings	135.2	0.1	135.3
Technical provisions – reinsurance share	693.7	(392.1)	301.6
Insurance and reinsurance receivables	468.0	(429.0)	39.0
Cash and cash equivalents	2.7	0.0	2.7
Financial investments - other loans	2.1	11.7	13.8
Other assets	115.9	(23.3)	92.6
Deferred acquisition costs	28.0	(28.0)	0.0
Deferred taxation	0.0	3.0	3.0
TOTAL	1,445.6	(857.6)	588.0

As at 31st December 2022, 1CU held the following assets:

Asset Class	GAAP Accounts Value (£m)	Solvency Valuation Adj. (£m)	Solvency Value (£m)
Corporate and government bonds	36.4	(8.0)	28.5
Collective investment undertakings	136.5	8.3	144.8
Technical provisions – reinsurance share	556.0	(325.0)	231.1
Insurance and reinsurance receivables	400.8	(400.8)	0.0
Cash and cash equivalents	6.1	0.0	6.1
Financial investments - other loans	13.9	0.6	14.6
Other assets	41.9	(7.1)	34.8
Deferred acquisition costs	24.0	(24.0)	0.0
Deferred taxation	0.0	5.2	5.2
TOTAL	1,215.7	(750.7)	465.0

The valuation principles applied to FCG / 1CU's assets are consistent with those used in the GAAP accounts, with the following exceptions:

- Bonds and secured loans: these are quoted instruments in active markets and therefore the market price as at 31st December 2023 has been applied in the GAAP accounts, excluding accrued interest. On the Solvency II balance sheet, the bonds have been valued including accrued interest and the loans have been set at fair value;
- Reinsurance share of unearned premiums: the reinsurance share of unearned premiums reserve comprises the reinsurers' share of the gross premiums written which is to be earned in the following or subsequent financial years in the GAAP accounts. The unearned premiums are not recognised for solvency purposes, and instead the expected claims arising on the unearned premiums are recorded within the reinsurance share of technical provisions;
- Reinsurance share of claims reserves: the reinsurance share of claims reserves comprises the reinsurers' share of the claims outstanding (including claims which are estimated to have been incurred but not reported) as at 31st December 2023. The adjustments from claims reserves in the GAAP accounts to technical provision in the Solvency II balance sheet are detailed in section D2;
- Intangible assets and deferred acquisition costs: on the Solvency II balance sheet these have been valued at nil; and
- Deferred tax asset/liability: on the Solvency II balance sheet these are valued based on the expected tax benefit or expense once the valuation adjustments to transition to solvency valuations unwind.

D.2 Technical Provisions

The FCG / 1CU technical provisions include claims reserves incurred based on earned premiums which consider all reasonably foreseeable best estimates. This includes reserves for claims incurred plus a provision for claims Incurred But Not Reported ('IBNR'). FCG / 1CU also consider any amounts recoverable from reinsurance contracts in respect of claims reserves and IBNR. The technical provisions also include an estimate of the claims which will be payable on unexpired risks (sometimes termed 'premium provisions') based on the ultimate loss ratios and large loss experience from the claims provisions.

The gross technical provisions by line of business for FCG are as follows:

31st December 2023:

Line of business	Technical provisions (excluding risk margin) (£m)	Risk margin (£m)	Technical provisions (£m)
Motor vehicle liability insurance	350.8	4.0	354.8
Other motor insurance	(43.1)	1.0	(42.1)
Annuities stemming from non-life insurance contracts	19.5	0.1	19.6
Total	327.2	5.1	332.3

31st December 2022:

Line of business	Technical provisions (excluding risk margin) (£m)	Risk margin (£m)	Technical provisions (£m)
Motor vehicle liability insurance	310.6	6.9	317.4
Other motor insurance	32.7	0.7	33.5
Annuities stemming from non-life insurance contracts	14.4	0.1	14.5
Total	357.7	7.7	365.4

The gross technical provisions by line of business for 1CU are as follows:

31st December 2023:

Line of business	Technical provisions (excluding risk margin) (£m)	Risk margin (£m)	Technical provisions (£m)
Motor vehicle liability insurance	358.2	4.8	363.0
Other motor insurance	(23.9)	1.1	(22.8)
Annuities stemming from non-life insurance contracts	19.5	0.1	19.6
Total	353.8	6.0	359.8

31st December 2022:

Line of business	Technical provisions (excluding risk margin) (£m)	Risk margin (£m)	Technical provisions (£m)
Motor vehicle liability insurance	322.5	5.5	328.0
Other motor insurance	(29.5)	1.4	(28.1)
Annuities stemming from non-life insurance contracts	14.4	0.1	14.5
Total	307.4	7.0	314.5

The tables above show that technical provisions have decreased in the year for FCG despite business growth reflecting the slowdown in adverse claims experience caused by inflationary pressures. Conversely technical provisions have increased in 1CU following GFSC guidance that customer premiums collected by the intermediary but not yet remitted to 1CU are not eligible to offset against the premium provision, despite being within intragroup payment terms.

The key areas of uncertainty around FCG / 1CU's technical provisions are as follows:

- Estimation of Outstanding Loss Reserves ('**OSLR**'): while information about claims is generally available, assessing the cost of settling the claim is subject to some uncertainty;
- Estimation of the losses relating to IBNR claims: this is generally subject to a greater degree of uncertainty than estimating the OSLR since the nature of the claims is not known at the time of reserving;
- Estimation of claims arising on business which has not yet expired (unexpired risks): this is uncertain as the claims have not yet been incurred but are expected to be incurred on the business which FCG / 1CU has written;
- Market environment: changes in the market environment increase the inherent uncertainty affecting the business, including macro-economic factors on vehicle damage-related claims inflation that are uncertain;
- Events Not In Data ('**ENID**'): estimating a provision for events not in data is subject to considerable uncertainty as the events being reserved have not been observed;
- Run-off expenses: the estimation of the expenses required to run-off of the bound obligations is inherently uncertain due to the estimations around the length of the run-off, base costs and inflation; and
- Risk margin: the risk margin, being the margin payable to transfer the business to another insurance carrier, is uncertain due to the requirement to forecast future solvency capital requirements over the period of a run-off. This therefore shares the same uncertainties of the run-

off expenses provision considered above as well as the inherent uncertainties around forecasting future solvency capital requirements.

FCG / 1CU manage the risks around these uncertainties via the following actions:

- Ongoing monitoring of claims, including regular reviews of claims handling functions;
- Maintaining a number of reinsurance arrangements to limit the impact of adverse claims development;
- Internal controls through underwriting and claims management meetings and the Actuarial Function which monitor claims development and reinsurance arrangements; and
- Regular internal and external actuarial reviews.

The changes required to transition from GAAP accounts to technical provisions for solvency purposes are set out below.

- Claims provisions: The claims provisions for solvency purposes are held in line with the external actuary's best estimate, following guidance from the GFSC as part of the 1CU business growth review. Any margin included in FCG / 1CU's GAAP accounts above this is eliminated for solvency purposes. FCG / 1CU have made no other adjustments to claims provisions in GAAP accounts in recording the claims provisions for solvency purposes. The claims provisions as at 31st December 2023 for FCG were £516.0m (2022: £450.5m) and for 1CU were £509.1m (2022: £462.7m);
- Reinsurance share of claims provisions: FCG / 1CU have made no adjustments to reinsurance recoveries in GAAP accounts in recording the reinsurance share of claims provisions for solvency purposes. The reinsurance share of claims provisions as at 31st December 2023 for FCG was £392.2 (2022: £322.8m) and for 1CU was £392.2m (2022: £334.5m);
- Unexpired risks: FCG / 1CU have estimated the claims which will be payable on unexpired risks (sometimes termed 'premium provisions') based on the ultimate loss ratios and large loss experience from the claims provisions. FCG / 1CU have considered whether adjustments may be required as a result of contract boundaries and decided to include a provision for bound but not incepted risks. The gross premium provisions as at 31st December 2023 for FCG were £279.4m (2022: £261.1m) and for 1CU were £279.6m (2022: £261.7m);
- Reinsurance share of unexpired risks: FCG / 1CU have estimated the amounts recoverable on unexpired risks based on the reinsurance share of gross premium provisions estimated as per the above. As at 31st December 2023, for FCG these were £217.7m (2022: £171.9m) and for 1CU these were £218.1m (2022: £172.4m);
- Intermediary and policyholder receivables: Intermediary and policyholder receivables not yet due for collection are netted off the technical provisions for solvency purposes. For 1CU, there are no valuation differences between GAAP accounts and intermediary and policyholder receivables for solvency purposes. For FCG, any bad debt provision is added back to policyholder receivables and the solvency value of this is then calculated based on aging. The insurance receivables as

at 31st December 2023 for FCG were £409.6m (2022: £303.4m) and for 1CU they were £376.9m (2022: £368.9m);

- Reinsurance payables: Net amounts payable to reinsurers are netted off the reinsurance recoveries for solvency purposes. There are no valuation differences between GAAP accounts and net reinsurance payables for solvency purposes. The net reinsurance payables (being net reinsurance payables less financial investments held for collateral arrangements) as at 31st December 2023 for FCG were £269.5m (2022: £227.5m) and for 1CU they were £247.4m (2022: £216.8m);
- ENID loading: Technical provisions for solvency purposes are required to allow for all possible events, including those that may not have been historically realised before. Such events which are not present in a set of observable historical loss data are often called ENID. This is a difference in valuation methodology compared to the GAAP accounts that considers best estimates which can be reasonably foreseen, and therefore leads to a loading on the technical provisions to consider the probability weighted effect of events which have not previously been observed. FCG / 1CU have undertaken an analysis on the changes in both gross and net provisions following a number of different possible scenarios, considering both positive and negative outcomes. This has then been adjusted following scenario analysis which considered both positive and negative outcomes. As such, the ENID loading applied by FCG / 1CU as at 31st December 2023 was £1.9m (2022: £2.0m);
- Counterparty default provision: FCG / 1CU have considered a provision for default by one or more of the reinsurance providers. The provision is based on the total exposure to the counterparty, the rating of the counterparty and the existence of any collateral arrangements with the counterparty. FCG / 1CU estimate the counterparty default provision and consider each of the exposures, net of collateral arrangements in existence, apply the estimated probability of default by rating, and derive a weighted average probability of default. FCG / 1CU's exposures are entirely from reinsurers with a rating of A- and above. FCG / 1CU have calculated the weighted average probability of default of reinsurers as 0.03% (2022: 0.04%), and thus the counterparty default adjustment is £0.2m (2022: £0.1m);
- Run-off provision: Technical provisions for solvency purposes are required to take account of all expenses that will be incurred in servicing insurance obligations. This is commonly referred to as a 'run-off' provision as it therefore considers all future expenses which would be incurred to allow the existing obligations to run-off. FCG / 1CU have determined an annual servicing cost for servicing bound obligations and have provided for these over the lifetime of the bound obligations, allowing for expected expense inflation and taking into account future new business. The run-off provision applied by FCG as at 31st December 2023 was £10.4m (2022: £7.6m) and for 1CU it was £3.1m (2022: £2.1m);
- Discounting: Discounting has been applied in the technical provisions, based on the sterling yield curve as at 31st December 2023 as issued by the Prudential Regulation Authority ('PRA'). In

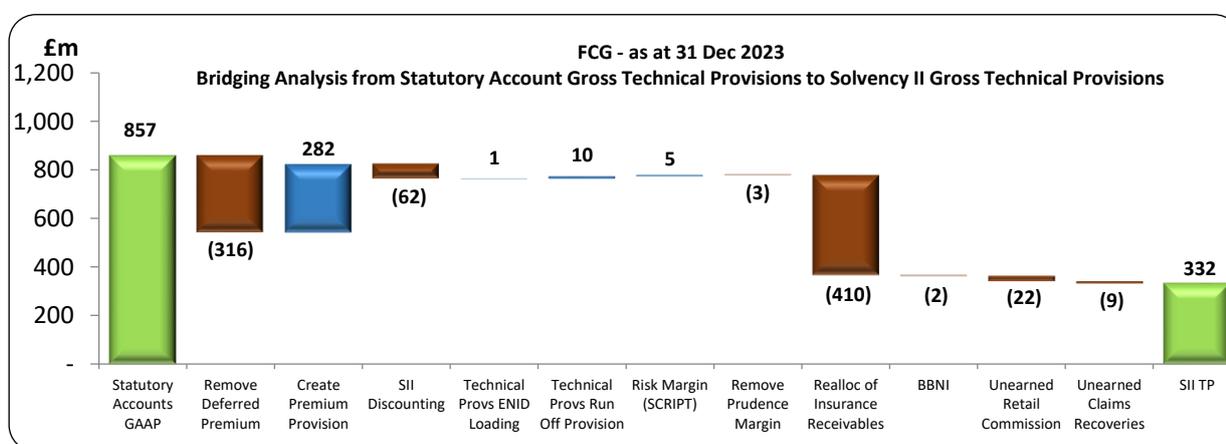
respect of FCG, the impact of discounting on the net technical provisions is £8.5m (2022: £11.4m) and in respect of 1CU, it is £8.6m (2022: £10.2m);

- Risk Margin: The risk margin is calculated by forecasting the SCR with simplifications over the duration of the run-off of existing liabilities. Claims are assumed to run-off in line with the cashflows derived for the technical provisions' liability run off. This results in a risk margin of £5.1m (2022: £7.7m) in respect of FCG and £6.0m (2022: £7.0m) in respect of 1CU.

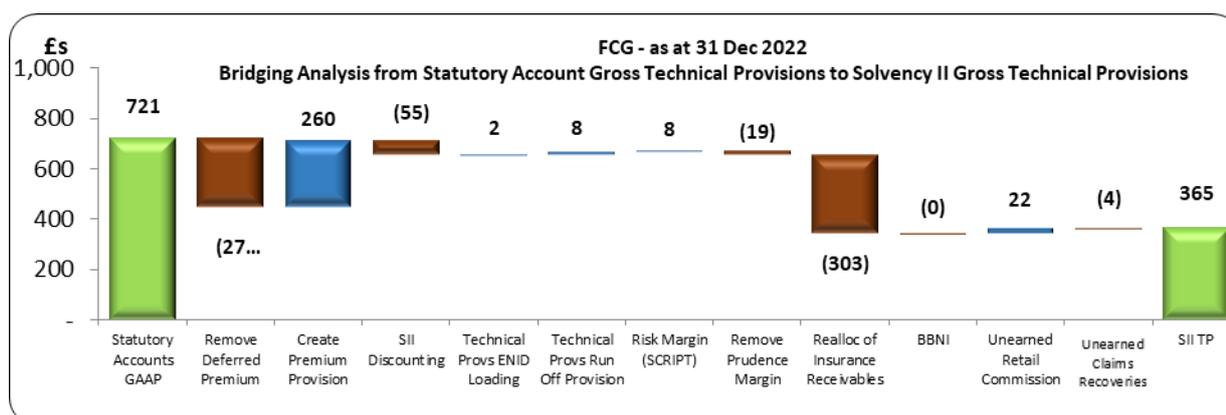
FCG / 1CU have not applied the matching adjustment, volatility adjustment, transitional risk-free interest term structure or the transitional deduction in calculating technical provisions.

The changes to FCG's technical provisions highlighted above are reflected in the waterfall diagrams below.

31st December 2023:

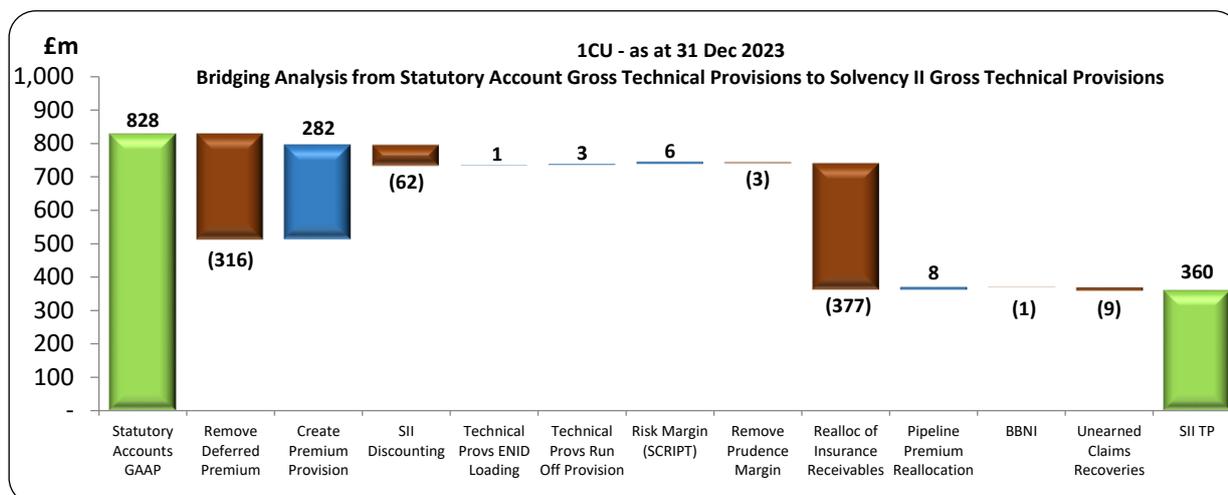


31st December 2022:

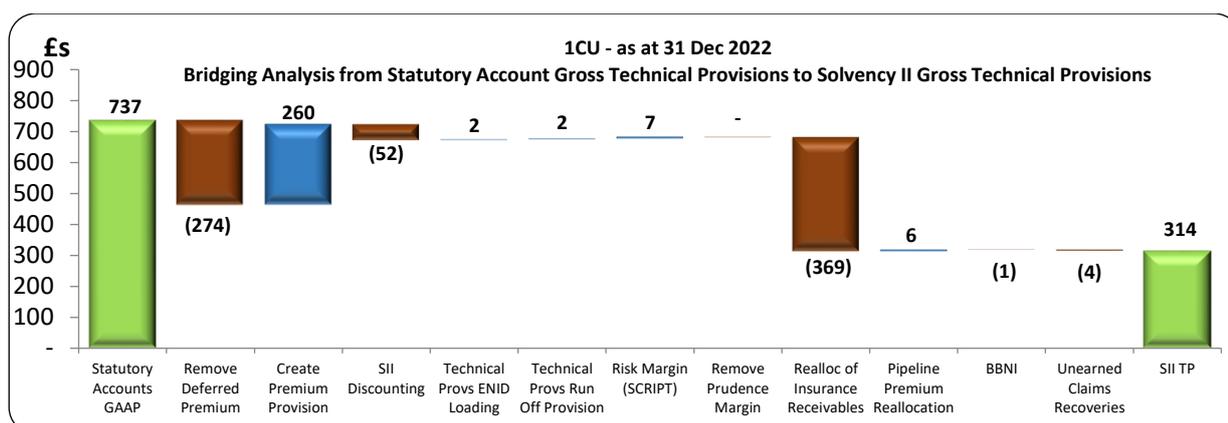


The changes to 1CU's technical provisions highlighted above are reflected in the waterfall diagrams below.

31st December 2023:



31st December 2022:



D.3 Other Liabilities

FCG recorded the following classes of liabilities for solvency purposes:

As at 31st December 2023:

Liability	GAAP Accounts Value (£m)	Solvency Value (£m)	Explanation of Differences
Reinsurance accounts payable	311.0	0.0	Reclassified to technical provisions (see D.2)
Deferred income	35.7	0.0	Not recognised for solvency purposes
Other creditors, including corporation tax and IPT	165.4	162.8	Immaterial classification adjustments
Total	512.1	162.8	

1CU recorded the following classes of liabilities for solvency purposes:

As at 31st December 2023:

Liability	GAAP Accounts Value (£m)	Solvency Value (£m)	Explanation of Differences
Reinsurance accounts payable	307.0	0.0	Reclassified to technical provisions (see D.2)
Deferred income	46.3	0.0	Not recognised for solvency purposes
Other creditors, including corporation tax and IPT	87.8	83.5	Immaterial classification adjustments
Total	441.1	83.5	

D.4 Alternative Methods for Valuation

Not applicable to FCG or 1CU.

D.5 Any Other Information

Not applicable to FCG or 1CU.

E - CAPITAL MANAGEMENT

E.1 Own Funds

FCG / 1CU classify own funds as tier 1, tier 2 or tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses.

FCG's eligible own funds as at 31st December 2023 and 31st December 2022 are as follows:

Own Fund Item	Tier	31 st December 2023		31 st December 2022	
		£m	%	£m	%
Share capital and share premium	1	0.1	0.1	0.1	0.1
Reconciliation reserve	1	136.9	71.4	81.8	67.0
Subordinated Debt	2	48.5	25.3	40.2	32.9
Deferred Tax Asset	3	6.2	3.2	0	0
		191.7	100	122.1	100

1CU's eligible own funds as at 31st December 2023 and 31st December 2022 are as follows.

Own Fund Item	Tier	31 st December 2023		31 st December 2022	
		£m	%	£m	%
Share capital and share premium	1	81.9	56.6	71.9	65
Reconciliation reserve	1	59.9	41.3	33.5	30.3
Deferred tax asset	3	3.0	2.1	5.2	4.7
		144.8	100	110.5	100

Only FCG / 1CU's tier 1 own funds may be used towards meeting the MCR.

E.2 Solvency Capital Requirements and Minimum Capital Requirements

The final solvency capital requirement of FCG / 1CU is the aggregation of the market, counterparty and non-life underwriting risks, less a credit for diversification, an additional charge to represent the operational risks faced by FCG / 1CU and a capital add-on.

The SCR of FCG as at 31st December 2023 was £109.5m (2022: £80.4m); its MCR as at 31st December 2023 was £27.4m (2022: £21.3m).

FCG Solvency Capital Requirement	31 st December 2023 £m	31 st December 2022 £m
Market risk	15.7	16.0
Counterparty risk	19.2	15.7
Non-life underwriting risk	46.7	49.9
Life underwriting risk	0.2	0.1
Basic SCR diversification	(16.9)	(16.1)
Operational risk	16.6	14.8
Capital add-on	28.0	0.0
SOLVENCY CAPITAL REQUIREMENT	109.5	80.4

The increase in the solvency capital requirement is primarily driven by the introduction of the capital add-on imposed by the GFSC from Q4 2023, to reflect the risks associated with sliding scale commissions that are present on reinsurance QS arrangements. Whilst FCG has experienced strong underlying business growth, the resulting increase in the SCR has been mitigated by an increase in 1CU's reinsurance QS cession in both 2023 and 2024 from 60% to 75%.

FCG is exposed to market risks derived predominately from the assets held by FCG to meet its insurance liabilities, although exposures to shocks in interest rates and currency rates are also considered in the exposure from underwriting risks.

FCG Market Risk	31 st December 2023 £m	31 st December 2022 £m
Interest rate risk	1.1	2.2
Spread risk	3.2	3.8
Equity risk	-	-
Currency risk	12.8	12.1
Property risk	0.5	1.1
Concentration risk	5.8	5.8
Market risk diversification	(7.8)	(8.9)
MARKET RISK TOTAL	15.6	16.0

FCG is exposed to counterparty risks in the form of cash deposits and recoveries from reinsurers (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2).

FCG Counterparty Risk	31 st December 2023	31 st December 2022
	£m	£m
Type 1 risk	9.5	7.9
Type 2 risk	11.0	8.8
Counterparty risk diversification	(1.3)	(1.1)
COUNTERPARTY RISK TOTAL	19.2	15.7

FCG is exposed to non-life underwriting risk as a result of the insurance policies it sells. The risks are based on volatility around earned premiums and claims reserves, and to catastrophe events to which FCG may be exposed.

FCG Non-life Underwriting Risk	31 st December 2023	31 st December 2022
	£m	£m
Premium and reserve risk	45.6	49.1
Catastrophe risk	3.8	3.0
Lapse risk	0.0	0.0
Non-life diversification	(2.7)	(2.2)
NON-LIFE UNDERWRITING RISK TOTAL	46.7	49.9

There has been no use of undertaking specific parameters in the non-life underwriting risk calculations. The non-life diversification is defined within the standard formula calculation and reflects the fact that the individual non-life risk types are not 100% correlated and therefore a 1-in-200 shock on total non-life underwriting risk is significantly less than the sum of 1-in-200 shocks for the individual non-life sub-risk types.

FCG is exposed to life underwriting risk as a result of the settled Periodic Payment Orders ('PPOs'). As at 31st December 2023, the gross undiscounted technical provisions associated with PPOs totalled £35.1m (or 4.1% of total reserves) (2022: £26.7m or 3.6%).

The life underwriting risk in respect of FCG is immaterial:

FCG Life Underwriting Risk	31 st December 2023	31 st December 2022
	£m	£m
Longevity risk	0.2	0.1
Expense risk	0.0	0.0
Revision risk	0.0	0.0
Life diversification	0.0	0.0
LIFE UNDERWRITING RISK TOTAL	0.2	0.1

The inputs used to calculate the MCR of FCG are as follows:

FCG Line of Business	Net (of reinsurance) written premiums in the last 12 months (£m)
Motor vehicle liability insurance	66.0
Other motor insurance	16.3
TOTAL	82.3

The SCR of 1CU as at 31st December 2023 was £87.8m (2022: £71.8m); its MCR as at 31st December 2023 was £22.0m (2022: £17.9m).

1CU Solvency Capital Requirement	31 st December 2023 £m	31 st December 2022 £m
Market risk	8.0	8.0
Counterparty risk	19.6	7.1
Non-life underwriting risk	46.8	50.5
Life underwriting risk	0.2	0.1
Basic SCR diversification	(12.8)	(8.6)
Operational risk	17.5	14.8
Capital add-on	8.5	0.0
SOLVENCY CAPITAL REQUIREMENT	87.8	71.8

The increase in the solvency capital requirement is primarily driven by the introduction of the capital add-on imposed by the GFSC from Q4 2023, to reflect the risks associated with sliding scale commissions that are present on reinsurance QS arrangements, and changes to the Type 2 counterparty default risk calculation from Q1 2023, also prescribed by the GFSC. Whilst 1CU has experienced strong underlying business growth, the resulting increase in the SCR has been mitigated by an increase in 1CU's QS cession in both 2023 and 2024 from 60% to 75%.

1CU is exposed to market risks derived predominantly from the assets held by 1CU to meet its insurance liabilities, although exposures to shocks in interest rates and currency rates are also considered in the exposure from underwriting risks.

1CU Market Risk	31 st December 2023 £m	31 st December 2022 £m
Interest rate risk	1.7	1.9
Spread risk	2.0	2.7
Equity risk	0.0	0.0
Currency risk	0.0	0.0
Property risk	0.0	0.4
Concentration risk	7.3	6.8
Market risk diversification	(3.0)	(3.8)
MARKET RISK TOTAL	8.0	8.0

1CU is exposed to counterparty risks in the form of cash deposits and recoveries from reinsurers (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2). In line with guidance received from the GFSC in 2023, 1CU considers any amounts overdue from the customer to the intermediary or collected by the intermediary but not yet remitted to 1CU as subject to a Type 2 counterparty default risk loading regardless of whether they are within intragroup payment terms.

1CU Counterparty Risk	31 st December 2023 £m	31 st December 2022 £m
Type 1 risk	8.4	7.1
Type 2 risk	12.5	0.0
Counterparty risk diversification	(1.3)	0.0
COUNTERPARTY RISK TOTAL	19.6	7.1

1CU is exposed to non-life underwriting risk as a result of the insurance policies it sells. The risks are based on volatility around earned premiums and claims reserves, and to catastrophe events to which 1CU may be exposed.

1CU Non-life Underwriting Risk	31 st December 2023 £m	31 st December 2022 £m
Premium and reserve risk	45.4	49.4
Catastrophe risk	3.8	3.0
Lapse risk	5.4	5.3
Non-life diversification	(7.8)	(7.2)
NON-LIFE UNDERWRITING RISK TOTAL	46.8	50.5

1CU has used a simplification for lapse risk in applying the standard formula but no further simplifications have been used. There has been no use of undertaking specific parameters in the non-life underwriting risk calculations. The non-life diversification is defined within the standard formula calculation and reflects the fact that the individual non-life risk types are not 100% correlated and therefore a 1-in-200 shock on total non-life underwriting risk is significantly less than the sum of 1-in-200 shocks for the individual non-life sub-risk types.

1CU is exposed to life underwriting risk as a result of the settled PPOs. As at 31st December 2023, the gross undiscounted technical provisions associated with PPOs totalled £35.1m (or 4.2% of total reserves) (2022: £26.7m or 3.6%).

The life underwriting risk in respect of 1CU is immaterial:

1CU Life Underwriting Risk	31 st December 2023 £m	31 st December 2022 £m
Longevity risk	0.2	0.1
Expense risk	0.0	0.0
Revision risk	0.0	0.0
Life diversification	0.0	0.0
LIFE UNDERWRITING RISK TOTAL	0.2	0.1

The inputs used to calculate the MCR of 1CU are as follows:

1CU Line of Business	Net (of reinsurance) written premiums in the last 12 months (£m)
Motor vehicle liability insurance	68.1
Other motor insurance	14.3
TOTAL	82.4

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

Not applicable to FCG / 1CU.

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

Not applicable to FCG / 1CU.

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

FCG and 1CU has maintained capital sufficient to meet its minimum capital requirement throughout the period covered by this report.

Both FCG and 1CU met their SCR and MCR throughout the years ended 31st December 2022 and 31st December 2023, reporting a coverage ratio of 175.1% and 164.8% respectively as at 31st December 2023.

E.6 Any Other Information

There is no other information to disclose.

GLOSSARY

Term	Definition
1CL	1st Central Law Limited
1CU	First Central Underwriting Limited
1CU Board	1CU Board of Directors
1CU CRC	1CU Conduct Risk Committee
1CU ManCo	1CU Management Committee
1CU OsCo	1CU Outsourcing Committee
1CU RC	1CU Reserves Committee
ABE	Actuarial Best Estimate
Adjusted EBITDA	Earnings Before Interest Taxes Depreciation and Amortisation adjusted for non-controlling interest, share based payments and any exceptional one-off costs
AFH	Actuarial Function Holder
AQRTs	Annual Quantitative Reporting Templates
ARC	FCIM Audit and Risk Committee
ARCGC	1CU Audit, Risk, Compliance and Corporate Governance Committee
Boards	The Board of Directors of FCG and 1CU
CPI	Consumer Price Index
CRIOC	Group Credit Risk, Investment Oversight Committee
CSIL	Charles Street Investment Limited
Delegated Regulation	Commission Delegated Regulation (EU) 2015/35
ECR	Economic Capital Requirement
ENID	Events Not In Data
ExCo	Group Executive Committee
FCA	Financial Conduct Authority
FCG	First Central Group Limited
FCIM	First Central Insurance Management Limited
FCS (UK)	First Central Services (UK) Limited
FCS(Gsy)	First Central Services (Guernsey) Limited
GAAP	Generally Accepted Accounting Principles
GAC	Group Audit Committee
GFSC	Gibraltar Financial Services Commission
GIAC	Group Internal Audit Charter
GIC	Group Investment Committee
GT	Grant Thornton LLP
GWP	Gross Written Premium
IBNR	Claims Incurred But Not Reported
ISO 31000	Risk Management Framework from the International Organization for Standardization
KPIs	Key Risk Indicators
ManCo	Management Committee
Mazars	Mazars LLP
MCR	Minimum Capital Requirement

MMF	Money Market Funds
NED	Non-Executive Director
ORSA	Own Risk Solvency Assessment
OSLR	Outstanding loss reserves
PRA	Prudential Regulatory Authority
QS	Quota Share Reinsurance
RemNomCo	Remuneration and Nomination Committee
RIR	Regulated Individuals Regime
RM	Risk Management
RM Framework	The detailed processes and structures of the Group's approach to Risk Management
Risk Owner	Person with the accountability and authority to manage a Risk
S1CUICL PGC	1CU Product Governance Committee
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
SM&CR	Senior Managers and Certification Regime
SPH	Skyfire Property Holdings PCC Limited
XoL	Excess of Loss Reinsurance

FCG QUANTITATIVE REPORTING TEMPLATES

S.02.01.02 - Balance Sheet

Amounts in 000s

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	6,228
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	1,877
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	242,956
R0080	Property (other than for own use)	2,164
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	0
R0150	Corporate Bonds	0
R0160	Structured notes	0
R0170	Collateralised securities	0
R0180	Collective Investments Undertakings	240,792
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	0
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	13,969
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	13,969
R0270	Reinsurance recoverables from:	280,107
R0280	Non-life and health similar to non-life	260,141
R0290	Non-life excluding health	260,141
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding index-linked and unit-linked	19,966
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	19,966
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	23,735
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	29,148
R0420	Any other assets, not elsewhere shown	40,191
R0500	Total assets	638,212

		Solvency II value
		C0010
R0510	Technical provisions - non-life	312,662
R0520	Technical provisions - non-life (excluding health)	312,662
R0530	TP calculated as a whole	
R0540	Best Estimate	307,581
R0550	Risk margin	5,081
R0560	Technical provisions - health (similar to non-life)	0
R0570	TP calculated as a whole	
R0580	Best Estimate	
R0590	Risk margin	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	19,599
R0610	Technical provisions - health (similar to life)	0
R0620	TP calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	19,599
R0660	TP calculated as a whole	
R0670	Best Estimate	19,549
R0680	Risk margin	50,000
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	0
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	0
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	114,263
R0850	Subordinated liabilities	48,517
R0860	Subordinated liabilities not in BOF	
R0870	Subordinated liabilities in BOF	48,517
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	495,040
R1000	Excess of assets over liabilities	143,172



S.05.01.02 – Premium, Claims and Expenses by Line of Business (Non-life)

Amounts in 000s

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											Line of business for: accepted non-proportional reinsurance				Total	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written																		
R0110	Gross - Direct Business				492,429	103,115												595,544
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional																	0
R0140	Reinsurers' share				426,412	86,816												513,229
R0200	Net				66,016	16,298												82,315
Premiums earned																		
R0210	Gross - Direct Business				457,334	95,766												553,100
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional																	0
R0240	Reinsurers' share				386,696	78,327												465,022
R0300	Net				70,638	17,439												88,078
Claims incurred																		
R0310	Gross - Direct Business				443,284	92,824												536,107
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional																	0
R0340	Reinsurers' share				317,620	66,510												384,130
R0400	Net				125,663	26,314												151,977
Changes in other technical provisions																		
R0410	Gross - Direct Business																	0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional																	0
R0440	Reinsurers' share																	0
R0500	Net				0	0												0
R0550	Expenses incurred				132,678	27,783												160,461
R1200	Other expenses																	0
R1300	Total expenses																	160,461

First Central Group Limited is registered in Guernsey (number 48743) at Town Mills, Rue Du Pre, St Peter Port, Guernsey, GY1 6HS
www.firstcentralgroup.com



S.05.01.02 - Premium, Claims and Expenses by Line of Business (Life)

Amounts in 000s

		Line of Business for: life insurance obligations					Life reinsurance obligations		Total	
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance		Life reinsurance
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
Premiums earned										
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
Claims incurred										
R1610	Gross									0
R1620	Reinsurers' share									0
R1700	Net						0		0	0
Changes in other technical provisions										
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	Expenses incurred						0		0	0
R2500	Other expenses									
R2600	Total expenses									0



S.05.02.01 - Premium, Claims and Expenses by Country (Non-Life)

Amounts in 000s

	C0010 Home Country	C0020	C0030	C0040	C0050	C0060	C0070
		Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and Home Country
		GB					
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business		595,544					595,544
R0120 Gross - Proportional reinsurance accepted							0
R0130 Gross - Non-proportional reinsurance accepted							0
R0140 Reinsurers' share		513,229					513,229
R0200 Net	0	82,315					82,315
Premiums earned							
R0210 Gross - Direct Business		553,100					553,100
R0220 Gross - Proportional reinsurance accepted							0
R0230 Gross - Non-proportional reinsurance accepted							0
R0240 Reinsurers' share		465,022					465,022
R0300 Net	0	88,078					88,078
Claims incurred							
R0310 Gross - Direct Business		536,107					536,107
R0320 Gross - Proportional reinsurance accepted							0
R0330 Gross - Non-proportional reinsurance accepted							0
R0340 Reinsurers' share		384,130					384,130
R0400 Net	0	151,977					151,977
Changes in other technical provisions							
R0410 Gross - Direct Business							0
R0420 Gross - Proportional reinsurance accepted							0
R0430 Gross - Non-proportional reinsurance accepted							0
R0440 Reinsurers' share							0
R0500 Net	0	0					0
Expenses incurred		160,461					160,461
R1200 Other expenses							
R1300 Total expenses							160,461



S.05.02.01 - Premium, Claims and Expenses by Country (Life)

Amounts in 000s

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations			Total Top 5 and home country
Home Country								
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
R1400								
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0						0
Premiums earned								
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0						0
Claims incurred								
R1610	Gross							0
R1620	Reinsurers' share							0
R1700	Net	0						0
Changes in other technical provisions								
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0						0
R1900	Expenses incurred							0
R2500	Other expenses							
R2600	Total expenses							0



	Own funds when using D&A, exclusively or in combination of method 1
R0450	Own funds aggregated when using the D&A and combination of method
R0460	Own funds aggregated when using the D&A and combination of method net of IGT
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0530	Total available own funds to meet the minimum consolidated group SCR
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)
R0610	Minimum consolidated Group SCR
R0650	Ratio of Eligible own funds to Minimum Consolidated Group SCR
R0660	Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)
R0680	Group SCR
R0690	Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A
	Reconciliation reserve
R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0750	Other non available own funds
R0760	Reconciliation reserve
	Expected profits
R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	Total Expected profits included in future premiums (EPIFP)

0				
0				
191,689	136,943	0	48,517	6,228
185,461	136,943	0	48,517	
191,689	136,943	0	48,517	6,228
142,418	136,943	0	5,474	
27,373				
520.29%				
191,689	136,943	0	48,517	6,228
109,491				
175.07%				
C0060				
143,171,706.36				
6,324				
0				
136,847				
0				



S.32.01.22 – Undertakings in the scope of the group

Amounts in 000s

	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
Row	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	GI	213800Y5XIR6CQ9RCD68	LEI	First Central Underwriting Ltd	Non life insurance undertaking	Limited company	Non-mutual	Gibraltar Financial Services Commission
2	GB	213800ZY9GFZK9JH2223	LEI	First Central Insurance Management Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	Non-mutual	Financial Conduct Authority
3	GB	FCSUK	SC	First Central Services (UK) Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	Non-mutual	
4	GB	1CL	SC	1st Central Law Ltd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	Non-mutual	
5	GG	213800ZULR6HSGM6KB04	LEI	First Central Services (GSY) Limited	Undertaking carrying out financial activities as defined in Article 1 (52) of Delegated Regulation (EU) 2015	Limited company	Non-mutual	
6	GG	213800U4P5IWFSR9O492	LEI	First Central Group Ltd	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138	Limited company	Non-mutual	
7	GI	SPCL	SC	Skyfire Property Company Limited	Other	Limited company	Non-mutual	



S.32.01.22 – Undertakings in the scope of the group

Amounts in 000s

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
				% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	GI	213800Y5XIR6CQ9RCD68	LEI	First Central Underwriting Ltd	10000.00 %	10000.00%			Dominant	10000.00%	Include d in the scope	Method 1: Full consolidation
2	GB	FCIM	SC	First Central Insurance Management Ltd	10000.00 %	10000.00%			Dominant	10000.00%	Include d in the scope	Method 1: Full consolidation
3	GB	FCSUK	SC	First Central Services (UK) Limited	10000.00 %	10000.00%			Dominant	10000.00%	Include d in the scope	Method 1: Full consolidation
4	GB	1CL	SC	1st Central Law Ltd	7500.00 %	7500.00%			Significant	7500.00%	Include d in the scope	Method 2: Proportional consolidation
5	GG	FCF	SC	First Central Services (GSY) Limited	10000.00 %	10000.00%			Dominant	10000.00%	Include d in the scope	Method 1: Full consolidation
6	GG	213800U4P5IWFSR9O492	LEI	First Central Group Ltd							Include d in the scope	Method 1: Full consolidation
7	GI	SPCL	SC	Skyfire Property Company Limited	10000.00 %	10000.00%			Dominant	10000.00%	Include d in the scope	Method 1: Full consolidation

1CU QUANTITATIVE REPORTING TEMPLATES

S.02.01.02 - Balance Sheet

Amounts in 000s

		Solvency II value
		C0010
	Assets	
R0030	Intangible assets	
R0040	Deferred tax assets	2,989
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	3
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	135,347
R0080	Property (other than for own use)	0
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	0
R0150	Corporate Bonds	0
R0160	Structured notes	0
R0170	Collateralised securities	0
R0180	Collective Investments Undertakings	135,347
R0190	Derivatives	
R0200	Deposits other than cash equivalents	0
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	13,769
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	13,769
R0270	Reinsurance recoverables from:	301,619
R0280	Non-life and health similar to non-life	281,653
R0290	Non-life excluding health	281,653
R0300	Health similar to non-life	0
R0310	Life and health similar to life, excluding index-linked and unit-linked	19,966
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	19,966,
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	38,988
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	2,661
R0420	Any other assets, not elsewhere shown	92,641
R0500	Total assets	588,019

		Solvency II value
		C0010
R0510	Technical provisions - non-life	340,190
R0520	Technical provisions - non-life (excluding health)	340,190
R0530	TP calculated as a whole	0
R0540	Best Estimate	334,209
R0550	Risk margin	5,981
R0560	Technical provisions - health (similar to non-life)	0
R0570	TP calculated as a whole	0
R0580	Best Estimate	0
R0590	Risk margin	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	19,599
R0610	Technical provisions - health (similar to life)	0
R0620	TP calculated as a whole	0
R0630	Best Estimate	0
R0640	Risk margin	0
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	19,599
R0660	TP calculated as a whole	0
R0670	Best Estimate	19,599
R0680	Risk margin	50
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	83,480
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in BOF	
R0870	Subordinated liabilities in BOF	0
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	443,269
R1000	Excess of assets over liabilities	144,750

S.05.01.02 – Premium, Claims and Expenses by Line of Business (Non-life)

Amounts in 000s

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											Line of business for: accepted non-proportional reinsurance				Total	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written																		
R0110	Gross - Direct Business				530,312	111,048												641,360
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				462,250	96,795												559,045
R0200	Net				68,062	14,252												82,315
Premiums earned																		
R0210	Gross - Direct Business				470,346	98,491												568,837
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				397,519	83,241												480,759
R0300	Net				72,827	15,250												88,078
Claims incurred																		
R0310	Gross - Direct Business				448,570	93,931												542,501
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				317,620	66,510												384,130
R0400	Net				130,949	27,421												158,370
Changes in other technical provisions																		
R0410	Gross - Direct Business				0	0												0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net				0	0												0
R0550	Expenses incurred				12,763	2,672												15,435
R1200	Other expenses																	
R1300	Total expenses																	15,435

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S.05.01.02 - Premium, Claims and Expenses by Line of Business (Life)

Amounts in 000s

		Line of Business for: life insurance obligations					Life reinsurance obligations		Total	
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance		Life reinsurance
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross									0
R1620	Reinsurers' share									0
R1700	Net						0		0	0
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	Expenses incurred						0		0	0
R2500	Other expenses									
R2600	Total expenses									0

S.05.02.01 - Premium, Claims and Expenses by Country (Non-Life)

Amounts in 000s

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and Home Country
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
R0010							
	Premiums written						
R0110	641,360						641,360
R0120							0
R0130							0
R0140	559,045						559,045
R0200	82,315						82,315
	Premiums earned						
R0210	568,837						568,837
R0220							0
R0230							0
R0240	480,759						480,759
R0300	88,078						88,078
	Claims incurred						
R0310	542,501						542,501
R0320							0
R0330							0
R0340	384,130						384,130
R0400	158,370						158,370
	Changes in other technical provisions						
R0410	0						0
R0420							0
R0430							0
R0440							0
R0500	0						0
R0550							0
R1200							0
R1300							0

S.05.02.01 - Premium, Claims and Expenses by Country (Life)

Amounts in 000s

	C0150	C0160	C0170	C0180	C0190	C0200	C0210
	Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
	C0220	C0230	C0240	C0250	C0260	C0270	C0280
R1400							
	Premiums written						
R1410	Gross						0
R1420	Reinsurers' share						0
R1500	Net	0					0
	Premiums earned						
R1510	Gross						0
R1520	Reinsurers' share						0
R1600	Net	0					0
	Claims incurred						
R1610	Gross						0
R1620	Reinsurers' share						0
R1700	Net	0					0
	Changes in other technical provisions						
R1710	Gross						0
R1720	Reinsurers' share						0
R1800	Net	0					0
R1900	Expenses incurred						0
R2500	Other expenses						
R2600	Total expenses						0

S.12.01.02 – Life and Health SLT Technical Provisions

Amounts in 000s

	Insurance with profit participation	Index-linked and unit-linked insurance		Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)	
			Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees				Contracts with options or guarantees		Contracts without options and guarantees				Contracts with options or guarantees
	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
R0010	Technical provisions calculated as a whole									0						
R0020	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole									0						
	Technical provisions calculated as a sum of BE and RM Best estimate															
R0030	Gross Best Estimate							19,549		19,549						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default							19,966		19,966						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re							-417		-417						
R0100	Risk margin							50		50						
	Amount of the transitional on Technical Provisions															
R0110	Technical Provisions calculated as a whole									0						
R0120	Best estimate									0						
R0130	Risk margin									0						
R0200	Technical provisions - total							19,599		19,599						

S.17.01.02 – Non-Life Technical Provisions

Amounts in 000s

		Direct business and accepted proportional reinsurance											Accepted non-proportional reinsurance				Total Non-Life obligation		
		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	
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	
R0010	Technical provisions calculated as a whole				0	0													0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																		0
	Technical provisions calculated as a sum of BE and RM																		
	Best estimate																		
	Premium provisions																		
R0060	Gross				-82,225	-24,178													-106,403
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				-35,370	-10,680													-46,050
R0150	Net Best Estimate of Premium Provisions				-46,854	-14,498													-60,352
	Claims provisions																		
R0160	Gross				440,324	287													440,611
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				327,643	60													327,704
R0250	Net Best Estimate of Claims Provisions				327,643	60													112,908
R0260	Total best estimate - gross				358,100	-23,891													334,209
R0270	Total best estimate - net				65,827	-13,271													52,555
R0280	Risk margin				4,785	1,196													5,981
	Amount of the transitional on Technical Provisions																		
R0290	Technical Provisions calculated as a whole																		0
R0300	Best estimate																		0
R0310	Risk margin																		0
R0320	Technical provisions - total				362,884	-22,695													340,189
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total				292,273	-10,620													281,653
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total				70,611	-12,075													58,536

S.19.01.21 – Non-Life Insurance Claims

Amounts in 000s

Gross Claims Paid (non-cumulative)															
(absolute amount)															
Year	C0010	C0020	C0030	C0040	Development year						C0090	C0100	C0110	C0170	C0180
	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)		
	R0100	Prior											567	567	567
R0160	2014	18,414	58,497	25,427	11,663	13,923	6,703	3,028	801	742	5,775	5,775	144,973		
R0170	2015	23,072	66,826	21,940	14,703	17,007	20,795	8,159	1,478	3,015		3,015	176,995		
R0180	2016	21,847	61,146	23,869	20,721	16,239	6,389	4,781	7,863			7,863	162,855		
R0190	2017	27,574	71,289	25,145	19,581	11,181	5,431	2,270				2,270	162,471		
R0200	2018	33,559	80,059	26,242	21,419	16,116	25,829					25,829	203,224		
R0210	2019	38,133	64,869	24,501	16,185	14,363						14,363	158,051		
R0220	2020	38,459	99,286	29,309	20,906							20,906	187,960		
R0230	2021	70,029	176,694	48,818								48,818	295,541		
R0240	2022	102,694	231,783									231,783	334,477		
R0250	2023	120,024										120,024	120,024		
R0260												Total	481,213	1,947,138	

Gross Undiscounted Best Estimate Claims Provisions													
(absolute amount)													
Year	C0200	C0210	C0220	C0230	Development year						C0290	C0300	C0360
	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)	
	R0100	Prior											1,042
R0160	2014	-	-	60,395	38,838	26,393	4,668	18,143	18,910	17,791	14,688		14,352
R0170	2015	-	108,867	81,810	57,927	26,947	19,969	3,865	1,383	3,325			3,249
R0180	2016	81,970	112,335	70,268	51,103	26,670	17,049	12,859	5,118				5,001
R0190	2017	72,374	87,221	59,416	35,904	22,934	21,910	27,744					26,418
R0200	2018	117,731	94,556	66,785	47,879	46,883	23,423						21,834
R0210	2019	125,932	67,011	41,971	29,206	15,599							14,613
R0220	2020	71,273	80,761	39,516	22,004								20,397
R0230	2021	121,210	119,043	68,487									62,936
R0240	2022	147,258	158,438										145,094
R0250	2023	143,826											132,197
R0260												Total	440,612

S.23.01.01 – Own Funds

Amounts in 000s

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

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above
R0220	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds
R0230	Deductions for participations in financial and credit institutions
R0290	Total basic own funds after deductions
	Ancillary own funds
R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
R0390	Other ancillary own funds
R0400	Total ancillary own funds
	Available and eligible own funds
R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR
R0580	SCR
R0600	MCR
R0620	Ratio of Eligible own funds to SCR
R0640	Ratio of Eligible own funds to MCR
	Reconciliation reserve
R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	Reconciliation reserve
	Expected profits
R0770	Expected profits included in future premiums (EPIFP) - Life business
R0780	Expected profits included in future premiums (EPIFP) - Non- life business
R0790	Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
81,865	81,865		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
59,896	59,896			
0		0	0	0
2,989				2,989
0	0	0	0	0
0				
144,750	141,761	0	0	2,990
0				
0				
0				
0				
0				
0				
0				
0			0	0
144,750	141,761	0	0	2,989
141,761	141,761	0	0	
144,750	141,761	0	0	2,989
141,761	141,761	0	0	
87,817				
21,954				
164.83%				
645.71%				
C0060				
144,750				
0				
84,854				
0				
59,896				
0				

S.28.01.01 – Minimum Capital Requirement – Only life or non-life insurance or reinsurance activity

Amounts in 000s

Linear formula component for non-life insurance and reinsurance obligations		C0010		
R0010	MCR _{NL} Result	5,595		
			Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
			C0020	C0030
R0020	Medical expense insurance and proportional reinsurance		0	
R0030	Income protection insurance and proportional reinsurance		0	
R0040	Workers' compensation insurance and proportional reinsurance		0	
R0050	Motor vehicle liability insurance and proportional reinsurance		65,826	
R0060	Other motor insurance and proportional reinsurance		0	
R0070	Marine, aviation and transport insurance and proportional reinsurance		0	
R0080	Fire and other damage to property insurance and proportional reinsurance		0	
R0090	General liability insurance and proportional reinsurance		0	
R0100	Credit and suretyship insurance and proportional reinsurance		0	
R0110	Legal expenses insurance and proportional reinsurance		0	
R0120	Assistance and proportional reinsurance		0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance		0	
R0140	Non-proportional health reinsurance		0	
R0150	Non-proportional casualty reinsurance		0	
R0160	Non-proportional marine, aviation and transport reinsurance		0	
R0170	Non-proportional property reinsurance		0	
Linear formula component for life insurance and reinsurance obligations		C0040		
R0200	MCR _L Result	0		
			Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
			C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits			
R0220	Obligations with profit participation - future discretionary benefits			
R0230	Index-linked and unit-linked insurance obligations			
R0240	Other life (re)insurance and health (re)insurance obligations			
R0250	Total capital at risk for all life (re)insurance obligations			
Overall MCR calculation		C0070		
R0300	Linear MCR	5,595		
R0310	SCR	87,817		
R0320	MCR cap	39,518		
R0330	MCR floor	21,954		
R0340	Combined MCR	1,954		
R0350	Absolute floor of the MCR	2,359		
R0400	Minimum Capital Requirement	21,954		