Nucleus Life AG

Solvency and Financial Condition Report

for the financial year ended 31 December 2023

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Executive Summary

Nucleus Life AG ("the Company") is a life insurance company domiciled in Vaduz, Liechtenstein, and regulated by the Financial Market Authority (FMA) Liechtenstein.

Business and performance

Nucleus Life AG has completed in 2023 a first phase of a long and complex project of reorganization and updating to be compliant to the state of art EIOPA rules in Life Insurance, in order to better serve and protect its customers.

Already in 2023, new resources have been hired, who will now have to contribute to enforce the Company's organizational structure and procedures, to adapt them to the regulations in force and to allow the achievement of strategic objectives.

Thanks to this important activity, the Company will restart distribution process of its products, voluntarily suspended on 17 March 2022, in March 2024 after completed the drafting of the POG Product Oversight Guidelines required by the EIOPA legislation and which constituted the backbone of the insurance business and the liability to the final customers.

The company has adopted a specific positioning strategy in the European insurance market aiming to offer high value-added services in the niche of VHNWI: a boutique of excellence with "bespoke" services.

2023 was therefore a year of transition dedicated to investments for organizational adjustment and the correct adoption of POG rules, capital strengthening and careful cost containment. The management has decided to identify and cut any type of non-structural management cost to the characteristic management activity, optimize outsourcers and focus particularly on the recovery of product margins. Continuous monitoring techniques have been adopted through the adoption of efficiency parameters shared at all levels of the management team.

This decision clearly influenced the performance of the 2023 operation, which nevertheless ended with a positive technical operating result of CHF 523’978 and a net profit of CHF 596’897 compared to the loss of CHF 1’137’204 in 2022.

This result is thanks to of a series of one-off operations.

System of Governance

The Board of the Company considers the system of governance to be adequate and proportionate to the nature, scale and complexity of the risks inherent in its business.

The Company ensures that all persons, who effectively run the Company or fulfill other key functions, are fit to provide sound and prudent management through their professional qualifications, knowledge and experience, and are proper by being of good repute and integrity.

The Company’s system of governance has been designed around a Risk Management framework together with the controls and processes. It employs the “three lines of defense” governance model:

- 1st Line of Defence: Management and staff
- 2nd Line of Defence: Risk Management, Actuarial Function & Compliance (Oversight)
- 3rd Line of Defence: Internal Audit

It performs an Own Risk and Solvency Assessment (ORSA) at least once per year, during which all risks inherent to its business are assessed and the corresponding capital needs determined. As part of the ORSA, "stress scenarios" are considered as well.

Its internal control system consists of five elements:

- Board of Directors
- Management Board
- Compliance and Risk Management
- Internal Audit
- Controls over Outsourced Activities

The Governance structure of the Company has changed in the year.

Risk profile

The Company mainly assumes Deposit-Linked business whereby the policyholder bears the financial risk. In accordance with the Prudent Person principle, the Company only invests policyholder funds in assets and instruments the risks of which it can properly identify, measure, monitor, manage and control. Shareholder assets are only invested in secure, non-volatile assets.

There is also a small amount of (death) risk business with small sums assured in its portfolio.

The material-risks the company are exposed to are the following:

- Lapse risk
- Currency risk and credit quality step with regards to the capital injection
- Concentration risk
- Inflation risk
- Liquidity risk
- Operational risk

Based on the latest Board resolution, the accounting will be changed from CHF to EUR by 31.12.2024. Most policies are in EUR or in another currency, but not CHF. However, the costs of Nucleus Life are in CHF. This can have a strong impact on the balance sheet due to the exchange rate. This measure is intended to prevent this.

Valuation for solvency purposes

As at 31 December 2023, the assets and liabilities of the Company were as follows:

Balance Sheet	Solvency II value (CHF'000)	Statutory value (CHF'000)
Total assets	**127'042.1**	**129'131.4**
Total technical provisions	112'948.9	111'704.3
Other liabilities	4'784.9	4'784.9
Total liabilities	**117'733.8**	**116'489.2**
Subordinated liabilities	**913.4**	
Excess of assets over liabilities (Own Funds)	**10'221.7**	**12'642.2**

Capital management

The objective of Own Funds management is to maintain, at all times, sufficient Own Funds to cover the Solvency Capital Requirement ("SCR") and Minimum Capital Requirement ("MCR") with an appropriate buffer. The Company's Solvency II position as at 31 December 2023, and the comparative position as at 31.12.2022, were as follows:

Capital requirements	2023 (CHF '000)	2022 (CHF '000)
Solvency Capital Requirement (SCR)	3'960.3	5'989.2
SCR Ratio	258.1%	191.5%
Minimum Capital Requirement (MCR)	3'718.8	3'653.6
MCR Ratio	270.3%	304.2%

Compared to the previous year's result, the situation in terms of the SCR has improved greatly due to the exclusion of the currency risk of the Photonike Bond & MCR Ratio has declined based a higher minimum capital requirement of EUR 4 Mio.

Vaduz, 26 April 2024

A. Business and performance

A.1 Business and external environment

A.1.1 Name and legal form of the undertaking

Nucleus Life AG ("the Company") is incorporated in Liechtenstein as a company limited by shares (*Aktiengesellschaft*). Its registered office is at:

Bangarten 10
FL-9490 Vaduz

A.1.2 Name of the responsible Supervisory Authority

The Financial Market Authority Liechtenstein (FMA) is responsible for the financial supervision of the Company. The FMA's address is:

Financial Market Authority Liechtenstein
Landstrasse 109
PO Box 279
FL-9490 Vaduz

A.1.3 Name of the external auditors

The Company's external auditor is Grant Thornton AG:

Bahnhofstrasse 15
FL-9494 Schaan

A.1.4 Holders of qualifying holdings in the undertaking

98.30% of the shares of Nucleus Life AG are held by Nucleus Holding II S.C.sp, Luxembourg, and 1.70% by IRC Finance AG, Basel.

There are no other qualifying shareholders with an interest of 10% or more.

A.1.6 Lines of business and geographical areas

The Company is authorised to write the following classes of business:

Class 1. Life Insurance

Class 3. Unit-/Deposit-linked Life Insurance

It is authorised to do business in Liechtenstein, Austria, Belgium, Germany, Ireland, Italy, Norway, Sweden and Switzerland.

A.2 Underwriting performance

The Company has voluntarily suspended the distribution of new products since March 2022 and, after concluding the approval process of the POG guidelines, is preparing to restart the business in Liechtenstein and in the 8 European countries where it is authorized to operate in Freedom Of Services.

Anyway, in 2023 six policies were finalized for two European customers, the result of a consultancy and distribution activity started at the end of 2021 but not completed due to impediments by customers. The policies were regularized in 2023 when these impediments were resolved by the transfer of the premium to the custodian bank.

Booked gross premiums by country	2023	2022
Germany	-	3'148'665
Italy	-	4'663'554
United Arab Emirates	519'954	-
Sweden	20'071'255	-
Total other liabilities	**20'591'209**	**7'812'219**

Financial statements are prepared in accordance with Liechtenstein GAAP. The salient items of the profit and loss for the year ended 31 December 2023 are shown below.

Profit and loss positions	2023	2022
Gross premiums	20'591'209	7'812'220
Gross claims	-144'030'505	-6'403'381
Acquisition costs	-864'911	-654'144
Operating expenses	-1'964'395	-1'410'621
Change in technical reserves	-130'979'966	31'773'550
Result	596'897	-1'137'204

The positive result in the financial year of net profit of CHF 596'897 (loss of CHF 1'137'204 in 2022) is also due to certain one-off effects. On the one hand, three large policies were terminated, for which an exit fee of 1% (total approx. CHF 1 Mio) was received. Furthermore, the value adjustment from previous years on the Photonike Notes was reversed (effect approx. TCHF 600) and the accounting method regarding the collection of fees was adjusted (effect approx. TCHF 150).

A.3 Investment performance

The Company writes Unit-/Deposit-Linked business and does not provide any asset selection advice. The investments linked to insurance policies are selected by policyholders or their appointed advisors, or, where applicable, by asset managers selected by the policyholders and appointed for this purpose by the Company. Assets and policyholder liabilities are matched at all times.

The following assets* are held to cover technical provisions for linked liabilities.

Asset class*	2023	2022
Equity	59'992'388	180'866'733
Fixed income	21'596'133	29'408'976
Cash, deposits and money market	30'025'929	32'309'561
Property	70'914	94'668
Total	**111'685'364**	**242'679'938**

(*) Excluding assets of policies not yet issued and policies surrendered but not yet paid out.

Where assets are suspended or no market value is available, a fair value is calculated; if this is not possible, the value of the asset is written down to zero.

Investment income comprises dividends, interest and other income receivable, realised gains and losses on investments and unrealised gains and losses. Movements are recognised in the profit and loss account in the period in which they arise.

The Unit-/Deposit-Linked insurance policies are valued by reference to their linked asset values. The performance of the policies therefore depends on the performance of the assets selected and the application of policy related charges in line with the policy contract terms and conditions.

The Company did not make use of securitisation during the course of 2023.

A.4 Performance of other activities

The Company does not pursue any other activities apart from its insurance business. During the reporting year, no extraordinary events (other than mentioned in this report) occurred that had a significant impact on the Company's business.

A.4 Any other information

Expenses can be split into acquisition costs and operating expenses.

Expenses	2023	2022
Acquisition costs	-864'911	-654'144
Operating expenses	-1'964'395	-1'410'621

Acquisition costs will continue to vary according to type and size of business written, while expense levels are expected to remain constant.

B. System of governance

The Board of the Company considers the system of governance to be adequate and proportionate to the nature, scale and complexity of the risks inherent in its business.

B.1 General information on the System of Governance

The Company’s system of governance has been designed around a Risk Management framework together with the controls and processes.

B.1.1 System of Governance

Article 7 of Nucleus Life's Statute provides for the following Bodies: the Shareholders' Meeting (die Generalversammlung), the Board of Directors (der Verwaltungsrat) and the Independent Auditors (die Revisionsstelle). Subject to the powers expressly attributed to the Shareholders' meetings and within the limits of the company's purpose, the Board of Directors deals with any issue concerning the Company’s operations and settles matters of concern to the company through its deliberations. Among the various powers vested in the Board of Directors for the ordinary and extraordinary management of the Company.

The Board of Directors adopts internal rules by the purpose of which is to define the rules and operating procedures of the Board and its specialized committees, in addition to the provisions of the law and the Company’s articles of association.

The Chairman organizes and directs the work of the Board. The Board of Directors meets as soon as the interests of the company requires and at least four times a year.

In compliance with Solvency II rules and the company's objectives, the BoD is therefore responsible for defining the strategic and organizational guidelines and ensures their constant completeness, functionality and effectiveness, also with reference to outsourced activities. The BoD appoints the managers and assigns tasks and responsibilities to them, taking care of their adequacy over time.

The BoD ensures that appropriate decision-making processes are adopted and formalised, that an appropriate separation of functions is implemented, and that tasks and responsibilities are allocated and coordinated in line with the company's organisation. It also ensures that all relevant tasks are assigned and that overlaps are avoided, promoting effective cooperation between all resources.

In accordance with Art. 258 of EU Regulation 2015/35 BoD approves the system of delegations of powers and responsibilities, avoiding the excessive concentration of power in a single subject.

The Management Board on his part is responsible, among other things, for the implementation, maintenance and monitoring of the corporate governance system, in accordance with the BoD's guidelines. In particular, it defines in detail the organizational structure, the tasks and responsibilities of the operating units, as well as the decision-making processes in line with the directives given by the BoD. MB may propose to the BoD initiatives aimed at adapting and strengthening the corporate governance system.

The Management Board is invested with the powers conferred by the Board of Directors to act in all circumstances in the name of the Company and represents it in its relationships with third parties.

The Management Board of Nucleus Life is responsible for the management of the Company under the advisory supervision of the Supervisory Board and sets objectives and strategies for this purpose. The Management Board has overall responsibility for implementing, developing and monitoring the governance system. This means that it is also responsible for implementing Nucleus Life statutory and regulatory requirements regarding risk management and internal control system. The Management Board also has overall responsibility for organizational structural and procedural regulations.

With reference to the internal assessment of risk and solvency, MB contributes to ensure the definition of operational limits and ensures the timely verification of them, as well as the monitoring of risk exposures and compliance with tolerance limits. The Management Board is assisted in its missions by the Internal Management Committee (IMC) which is composed of the members of the Management Board and the heads of the operational divisions (sales/marketing, operations and finance) and by the Investment and Finance Committee, composed of the COO, the Head of the Finance Office and the Business Analyst and any Advisors if invited.

NL operates the "three lines of defence model". The Administrative, Management or Supervisory Body (AMSB) comprises both the Management Board (MB) and the BoD. The BoD is, amongst others, responsible for overall monitoring of the adequacy and effectiveness of the risk management system in order to ensure that the process used to develop and achieve the strategic objectives of the company is adequately articulated in all strategic plans. The MB is responsible for overall implementation of an adequate risk management system and for all decisions considering material risks.

Board of Directors

- Fausto M Ventriglia (Chairman)
- Ekaterina Shashkovskaya-Virkus
- Moritz Blasy

Committees

Nucleus Life AG is a Life insurance company that offers exclusively unit-linked life insurance, has a clear organisational structure and well-documented work processes. The Board of Directors closely supervises the course of business with ordinary as well as extraordinary Board meetings, whereby accounting aspects such as quarterly and annual financial statements and reporting are discussed in detail and documented in Board minutes. Nucleus Life AG fulfils the requirements of Article 347a Paragraph 2 of the Persons and Companies Act (Personen- und Gesellschaftsrecht, PGR) and delegates the duties of the Audit Committee to the Board of Directors as a whole.

Management Board

- Fausto M. Ventriglia (CEO)
- Ermanno Grassi (COO)

B.1.2 Key Functions

The Company has established the four key independent control functions required under the Corporate Governance Requirements for Insurance Undertakings under Solvency II. These functions are responsible for providing oversight of and challenge to the business, and for providing assurance to the Board in relation to the Company's control framework.
The following section provides a summary of the authority, resources and operational independence of the key functions:

Compliance function (Internal Controls) - led by the Head of Compliance

- responsible for the Company's Compliance Policy
- identifies, assesses, monitors and reports the compliance risk exposure
- tracks changes in the environment that could affect the Company's compliance risk, and monitors the appropriateness of the Company's compliance procedures
- inputs into the ORSA process and report

The Compliance function considers and monitors the regulatory environment, financial crime, data protection, and compliance. The findings of the Compliance function are reported to the Management and the Board.

Risk Management function – this function is currently still formally owned by Valucor but performed by an external, independent Risk Officer.

- oversees and monitors the effective operation of the risk management system and ORSA
- identifies and assesses emerging risks
- maintains an entity-wide view on risk exposures and the Company's risk profile
- ensures that material risk issues receive sufficient attention at Board level and that the Board plays an active part in setting and reviewing the overall risk-appetite and tolerance limits
- provides detailed reporting on risk exposures and advises on risk-management matters, including strategic affairs such as corporate strategy. The risk function maintains independence by carrying out an oversight role in the major processes, allowing for robust challenge of decisions and processes across the business.

Actuarial function - performed by an external actuary

- ensures the appropriateness of the methodologies and assumptions used for calculating technical provisions, ensuring that they are appropriate for the line of business
- express the own opinion on the overall underwriting policy and reinsurance arrangements
- coordinate the calculation of technical provisions in accordance with Solvency II principles;
- contributes to effective implementation of the risk management system.

Under Liechtenstein law, an insurance company is required to have an Appointed Actuary in addition to the Actuarial function required under Solvency II. Considering the size of the Company and the nature of its business, the same actuary performs both roles. Care has been taken ensure that there is no conflict of interest, and that independent checks (4-eyes principle) are at all times ensured. Actuarial matters are discussed on a regular basis, and an annual Actuarial Report is presented to the AMSB.

Internal Audit function

- evaluates the adequacy and effectiveness of the internal control systems and other elements of governance
- reviews the ORSA process & report
- provides an independent assessment in a report to the AMSB

The Internal Auditor is an experienced auditor from an external organisation, providing the required level of independence. The findings of the Internal Auditor are reported to the AMSB.

All persons are re-assessed on an annual basis to ensure their fit and proper status.

B.1.3 Remuneration System

Salaries and remunerations are consistent with market practice and in line with applicable laws and regulations. There are no defined bonus plans nor share options available to employees or the Management Board. The pension and retirement schemes correspond to market standard for all employees. The Company offers a defined contribution pension plan to its employees, which fulfils the Liechtenstein regulatory and social security requirements.

B.2 Fit and proper requirements

It is a requirement that all Key Function Holders are Fit and Proper. The Company has internal guidelines setting out the requirements for the appointment and ongoing monitoring of the Fit & Proper status of relevant persons. The Company ensures that all persons who effectively run the Company or perform key functions are fit to provide sound and prudent management through their professional qualifications, knowledge and experience, and are proper by being of good repute and integrity.

The following persons are checked prior to commencement of their employment contracts:

- Directors
- Management
- Appointed Actuary
- Risk Officer
- Compliance Function
- Actuarial Function
- Internal Auditor

Information required and checks performed include the following:

- Interview
- Passport or ID
- CV (educational background, professional qualifications, membership)
- References
- Criminal record check
- Credit check
- Bankruptcy check
- Financial Sanctions & Anti-money Laundering check

Recurring checks are performed on an annual basis.

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

Risk Management framework

The Risk Management framework consists of a set of policies covering all the possible risks the Company could face, summarised in the form of a Risk Assessment Matrix, a Risk Appetite Statement, quantitative risk capital calculations based on Solvency II and quarterly Risk Management meetings with corresponding minutes.

The main purpose of risk management is to optimise risk and return, thus improving shareholder value.

Risk Appetite Statement

The Risk Appetite Statement is defined by the Board and describes the risk boundaries (and hence the risks) the Company is willing to operate within. Overall, the Company is risk averse, which is reflected in the way it conducts its business.

“Three Lines of Defence” governance model

The risk management system enables the Company to assess, identify, manage, evaluate and prioritize current risks and those risks it might be exposed to in future. The Company’s Risk Management system follows the “three lines of defence” principle:

The Risk Management Function is responsible – amongst others – for the identification, analysis and evaluation of risks within the quarterly risk management meetings, which is reviewed, updated and reported every quarter and presented quarterly to the Management and Board of Directors.

B.3.1 Own Risk and Solvency Assessment

The main purpose of the Own Risk and Solvency Assessment (“ORSA”) is to ensure that the Company assesses all risks inherent to its business and to determine the corresponding capital needs – or, alternatively, to identify other methods to mitigate specific risks.

The process of the ORSA is performed by the Company based on the ORSA policy which was introduced by Nucleus in 2023, the internal policies and guidelines and by considering EIOPA’s guidance with respect to ORSA.

The ORSA takes a top-down approach, linking business objectives, business risks, business planning and capital planning. It is performed at least once per annum, typically in December based on the financials of the 3rd quarter of the same year. Any sudden, adverse event that may have an impact on the capital of the Company would trigger an immediate ORSA (until now this has not been deemed necessary). Furthermore, any material changes in the business plan that may have an impact on the capital of the capital requirements of the Company would require a new ORSA.

As part of the ORSA, “stress scenarios” are considered, as well as the capital needs and/or mitigation measures necessary under such scenarios. The aim of these stress tests is to ensure that the business is robust enough to weather adverse events without detriment to policyholders.

The outcome of the ORSA is presented to the AMSB.

B.4 Internal control system

The purpose of the internal control system (ICS) is to manage or mitigate, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material losses.

The Company is of the opinion that the internal control system is appropriate to the nature, scale and complexity of its business.

Its internal control framework has four elements:

- Board of Directors

  The Board has overall responsibility for ensuring that an adequate and effective system of internal control is maintained in the Company.

- Compliance and Risk Management functions

  These functions oversee internal controls, including drafting and implementing policies and procedures, and monitoring against compliance with them.

- Internal Audit function

  The Internal Audit function is an external appointment, providing for a layer of independent assurance. The Internal Auditor has full access to all aspects of the business, and provides an annual audit plan which is typically designed to cover areas where a weakness may exist in more detail.

- Controls over Outsourced Activities

  The Company makes use of outsourcing, and therefore pays particular attention to the monitoring of these activities, ensuring that these persons or entities maintain at least the same standards as those of the Company.

B.5 Internal audit function

The independent (external) Internal Auditor provides an analysis and evaluation of the adequacy, effectiveness, efficiency and quality of risk management, internal control and governance systems and processes.

The Internal Auditor has full access to all aspects of the Company. Recommendations made during the previous audit are checked and noted in the report of the current audit.

B.6 Actuarial function

The Company has outsourced the Actuarial function to an external actuary; this additional skilled (and independent) resource provides an additional layer of control and confidence.

Due to the size of the Company and the nature of its business, the Actuarial function also acts as Appointed Actuary. Sufficient checks and balances have been built into the processes to ensure that the Actuarial function remains objective and free from the influence of other functions or from the Company's AMSB.

The Actuarial functions drafts an annual Actuarial Report which is presented to the Board and the Regulator.

B.7 Outsourcing

The Company outsources a number of important functions to independent external providers. The rationale behind the decision is that outsourcing, if managed and monitored properly, not only gives the Company access to a wider and better range of skills, but can also be more cost-effective (as opposed to employing permanent staff).

The following functions are outsourced:

- Appointed Actuary
- Actuarial function
- Internal Audit function
- Risk Management function
- Bookkeeping
- Administration of current Italian Unit-Linked business

The Compliance function is responsible for evaluating all new outsourcing partners and service providers, as well as monitoring them on an ongoing basis, performing at least annual checks.

B.8 Any other information

The statements made in Chapters B.1 to B.7 contain all essential information about Nucleus Life's governance system.

C. Risk profile

The Company assumes Unit-/Deposit-Linked business. In the Unit-/Deposit-Linked business, the policyholder bears the financial risk. In accordance with the Prudent Person principle, the Company only invests policyholder funds in assets and instruments the risks of which it can properly identify, measure, monitor, manage and control. Shareholder assets are only invested in secure, non-volatile assets.

The material risks to which the Company is exposed are set out below.

C.1 Underwriting risk

Mortality risk

There is a reinsurance treaty in place with Hannover Re that covers the mortality risk on this business above EUR 10'000, commensurate with the Company's risk profile and capital.

Lapse risk

The Company is exposed to the risk of surrenders being higher than expected, leading to a loss in fee income.

In 2023, the Company voluntarily suspended the distribution of new products. The lapse risk is evidently kept under strict control and the reopening of new business will certainly reduce it.

C.2 Market risk

Market risk describes the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

As the Company writes Unit-/Deposit-Linked business where the investment risk is carried by the policyholders, the key market risk is that of a fall in the value of policyholder assets, resulting in lower fee income.

Price risk

A change in the market value of the Unit-/Deposit-Linked funds would affect the annual management charges accruing to the Company, since these charges are based on the market value of policyholder assets.

Currency risk

Similarly, due to the fact that the annual management charges are deducted from Unit-/ Deposit-Linked contracts in contract currency, a change in foreign exchange rates relative to the Swiss Franc can result in fluctuations in fee income.

The currency risk is a sizeable risk, as the bulk of its fee income is derived in EUR, while almost all of its expenses are in CHF. This can have a strong impact on the balance sheet due to the exchange rate. The stress tests performed allow for a ±25% change in exchange rates, which is deemed to be adequate.

Based on the latest Board resolution, the accounting will be changed from CHF to EUR by 31.12.2023.

C.3 Credit risk

Credit risk refers to the risk of loss, or of adverse change in the financial situation resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which the Company is exposed.

Reinsurance counterparties

This is a negligible risk – as mentioned above the mortality risk is limited, while the Company's reinsurer has a strong rating with AA- according to Standard & Poor's.

Banking counterparties

The defaulting of a policyholder custodian bank would not have a direct impact on the financial situation of the Company, as policyholder assets are protected under Liechtenstein law. In addition, policyholder assets are spread across a number of European banks with rating between A and A1.

C.4 Liquidity risk

Liquidity risk refers to the risk that Company, though solvent, does not have sufficient financial resources to enable it to meet its obligations as they fall due. Liquidity in this context is the availability of funds, or certainty that funds will be available without significant losses, to honour all cash outflow commitments as they fall due.

Short-term liquidity (cash management) covers the day-to-day cash requirements under normally expected or likely business conditions, while long-term liquidity considers the possibility of various unexpected and potentially adverse business conditions where asset values may not be realisable at current market values.

Short-term liquidity

Short-term shock events that may impact short-term liquidity include:

- The surrender of a large contract (or multiple contracts) leading to a sharp reduction in short term cash inflows (bulk lapse)
- Successful legal action by policyholders or other external parties, leading to a sharp increase in short-term cash outflows

Short-term liquidity is therefore considered when investment decisions are taken, as an adequate buffer must be kept to cover any short-term liquidity shortfalls.

Long-term liquidity

Long-term liquidity is a limited risk, as the Company follows a very prudent investment strategy, investing its capital only in high quality and liquid assets.

A key requirement for managing this risk is for the Company to grow (increase in policyholder assets under management) and to keep its expenses under control.

C.5 Operational risk

Operational risk is the risk of loss due to inadequate or failed internal processes, people or systems, or from external events.

People risk

To minimize errors, the Company has launched an important project to design its ICT infrastructure, to digitize most of the processes currently managed manually and offer its commercial and technical partners adequate, efficient and technologically advanced tools.

This project will be accompanied by a rapid implementation of the internal resources staff, which will also contribute to the development of the infrastructure itself.

Administration risk

As a result of the highly bespoke nature of the Company’s products, not all processes can be fully automated, which, if combined with the small staff complement, poses some risk.

As part of the important project to renew the ICT infrastructure verrà adottato, a new software for the back office, which will minimize the risks of errors caused today by the manual management of many processes.

Misselling risk

Whereas misselling is not a substantial risk when dealing with High Net Worth clients, it can occur in the mass-affluent segment (e.g. pensioners). Great care is therefore taken to make sure that investments are not only assessed in terms of size, but also in terms of the needs, targets, ESG preferences and risk profile of the policyholder.

Reputation risk

Any legal or regulatory breach, poor customer service, or local insurer failures can give the Company a bad reputation, effecting its ability to write business or form new business relationships. Whereas the Company takes good care to mitigate legal and customer service risks, external risks cannot be managed.

C.6 Other material risks

Based on the materiality definition in the Risk policy and the latest risk assessment, these risks are not material.

C.7 Any other information

The statements made in Chapters C.1 to C.6 contain all essential information about Nucleus Life's material risks.”

D. Valuation for solvency purposes

D.1 Assets

The following table shows the Company's assets as at 31 December 2023, as well as the corresponding numbers for 2022:

Assets (SII Value)	2023 (CHF '000)	2022 (CHF '000)
Intangible assets	1.6	2.6
Deferred tax assets	-	-
Equities	30.9	48.8
Bonds	9'258.7	9'103.7
Collective investments	-	-
Assets held for index-linked and unit-linked contracts	114'936.5	243'262.8
Insurance and intermediaries receivables	-	-
Receivables (trade, not insurance)	13.6	22.6
Cash and cash equivalents	2'908.0	3'037.1
Any other assets, not shown elsewhere	-107.1	-230.3
Total assets	**127'042.1**	**255'247.4**

Intangible assets

Intangible assets are made up only some licensed for software, and do not include any goodwill such as brands, trademarks or contractual relationships. The stated value, which is well below the estimated market value, is therefore assumed to be fair.

Equities

Listed equities have been valued at market value, while unlisted equities have been valued at net asset value. Equities that cannot be traded at all are valued at zero.

Corporate Bonds

The corporate bond corresponds to the capital increase of EUR 6 Mio in 2021 and of EUR 4 Mio in 2022.

Assets held for index-linked and unit-linked contracts

The valuations of these assets are mostly provided by the custodian banks where these assets are held. If a custodian bank cannot determine a market value, it would typically value the asset at zero. In rare instances the Company would value an asset based on the NAV on its balance sheet, but if that is not possible it would value it at zero.

The market value of the investments for the account and risk of the policyholders amounted to CHF 111'685'365 (PY CHF 242'679'937). In addition, there is an amount of CHF 3'112'575 (PY CHF 554'363) for fully repurchased insurance policies that have not been paid out, as well as CHF 138'514 (previous year CHF 28'518) for insurance policies for which the premiums have already been received but which have not yet been policed.

The amount of CHF 111'685'365 corresponds to the capital reported in the allocated accounts as at the balance sheet date. Corresponding technical provisions exist in the same amount.

Reinsurance recoverable

The reinsurance recoverable are revaluated in Solvency II, according to the different methodologies for calculating the Best Estimate of the Liabilities (“BEL”).

Receivables and other assets

The value of these assets is based on the best estimate of the recoverable or realisable value.

Cash and cash equivalents

Valued at the amount held at the period end, translated using the year end exchange rate where appropriate.

D.2 Technical provisions

The technical provisions comprise the BEL and the Risk Margin. The technical provisions as at 31 December 2023 and the corresponding values for 2022 are shown in the table below.

Technical provisions	2023 (CHF '000)	2022 (CHF '000)
Technical provisions – life (excluding health and index-linked and unit-linked)	-	-
Best estimate	-	-
Risk margin	-	-
Technical provisions – index-linked and unit-linked	112’948.9	242’877.1
Best estimate	112’328.3	242’199.9
Risk margin	620.6	677.2
Total provisions	**112’948.9**	**242’877.1**

D.2.1 Key assumptions

Interest rate and inflation

The risk-free interest rate term structure used for discounting the projected cash flows in the technical calculation is the CHF relevant risk-free structure For Solvency calculations Nucleus Life uses the swap rates provided by EIOPA per currency (e.g. CHF for policies in CHF, EUR for policies in EUR as provided by European Insurance and Occupational Pensions Authority (“EIOPA”). No volatility nor matching adjustments are applied.

The expense inflation rate (fixed rate) is in line with the EIOPA report on the calculation of the UFR for 2023: 0.929700.

Lapse assumptions

The lapse assumption is based on a lapse analysis of the actual lapse experience of the Company, considering lapses by number of policies as well as lapses weighted for policy size.

Expenses

Since 2022, the expense analysis and future modelling of expenses have been reviewed and updated entirely. Expenses are now split into fix overheads and variable expenses, varying with the number of policies in-force. The projection term is 40 years, taking into account "going concern" assumptions for new business according to budget planning as well as further expense and lapse assumptions.

D.2.2 Technical provision calculation methodology

The technical provisions represent a realistic estimate of the Company's future obligations with an allowance for some deviation for plausible changes in estimation in the form of the risk margin. They are not expected to be sufficient to meet the Company's obligations in all scenarios.

Best Estimate Liabilities

The BEL for index-linked and unit-linked contracts is equal to the value of the underlying assets, less the present value of future profits over using best estimate assumptions.

Risk Margin

The Risk Margin is an addition to the BEL to ensure that the technical provisions as a whole are equivalent to the amount that another insurer would require to take over the business and meet the insurance obligations. The Risk Margin is calculated as the amount of capital needed to support the Solvency Capital Requirement over the lifetime of the business; although the inflation rate was high over the last 2 years, we are convinced that the market rates will go down again. Thus, we think a 6% return on required capital is sufficient.

D.3 Other liabilities

The table below summarises the other liabilities of the Company as at 31.12.2023, as well as the corresponding values for 2022:

Other liabilities	2023 (CHF '000)	2022 (CHF '000)
Other liabilities	3'476.5	656.7
Subordinated liabilities	913.4	1'087.3
Provisions other than technical provisions	323.2	51.8
Deferred tax liabilities	-	-
Accruals	71.8	190.4
Total other liabilities	**4'784.9**	**1'986.2**

No adjustment is required to these valuations for the valuation for solvency purposes as the amounts held under IFRS measurement principles are deemed to be approximations of fair value.

D.4 Alternative methods for valuation

The Company has not applied any alternative valuation methods.

D.5 Any other information

There are no other remarks on the valuation for solvency purposes not already mentioned above.

E. Capital management

E.1 Own funds

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the Solvency Capital Requirement (“SCR”) and Minimum Capital Requirement (“MCR”) with an appropriate buffer.

The Company performs an Own Risk and Solvency Assessment (“ORSA”) exercise at least annually, or when the risk profile of the Company changes. The ORSA exercise incorporates the business planning process covering a three-year time horizon.

The Company’s own funds as at 31.12.2023 as well as the corresponding values for 2022 are shown below:

Own funds	2023 (CHF '000)	2022 (CHF '000)
Ordinary share capital	17’790.9	17’790.9
Share premium account	0.0	0.0
Organisation fund (capital contributions)	3’400.0	3’400.0
Reconciliation reserve	-11’882.6	-10’806.8
Subordinated liabilities	913.4	1’087.3
Net deferred tax assets	0.0	0.0
Total own funds	**10’221.7**	**11’471.4**

The Company’s own funds are primarily invested in cash deposits at banks and fix interest funds. Except for the new subordinated liabilities (which are Tier 2), the rest of the own funds are classified as Tier 1 unrestricted funds and is therefore available to cover the SCR and MCR.

The following table reconciles the differences (reconciliation reserve) between the equity in the financial statements and the excess of the assets over liabilities as calculated for solvency purposes:

Own funds reconciliation	2023 (CHF '000)	2022 (CHF '000)
Equity in financial statements	12’642.2	12’045.3
Subordinated liabilities	913.4	1’087.3
Difference in asset values	-2’089.3	-1’489.7
Difference in technical provisions	-1’244.6	-171.5
Difference in other liabilities	0.0	0.0
Solvency II - Own Funds	**10’221.7**	**11’471.4**

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Company uses EIOPA’s Solvency II Standard Formula. It does not use Company specific parameters and does not use simplified calculations in its computations.

The Company’s SCR and MCR (as well as the corresponding ratios) as at 31 December 2023, and the numbers for 2022, are shown in the table below.

The individual components of the SCR are shown in the Annex.

Capital requirements	2023 (CHF '000)	2022 (CHF '000)
Solvency Capital Requirement (SCR)	3’960.3	5’989.2
SCR Ratio	258.1%	191.5%
Minimum Capital Requirement (MCR)	3’718.8	3’653.6
MCR Ratio	270.3%	304.2%

Compared to the previous year’s result, the situation in terms of the SCR has improved greatly due to the exclusion of the currency risk of the Photonike Bond & MCR Ratio has declined based a higher minimum capital requirement of EUR 4 Mio.

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

This was not applied as the shares are mainly found in the unit-linked investments and this was not assessed as significant.

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

No internal model was applied.

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

The company complies with the MCR and SCR requirement.

E.6 Any other information

The Company has no other events that need to be mentioned here.

Annex: Quantitative Reporting templates

This annex contains the quantitative reporting templates ("QRT") as required by the regulator for the reporting date 31st December 2023. The following report sheets contain cell coordinates in the form of row and column location of a data point in a certain table, such as RO010 and C0020. With these cell coordinates in combination with the spreadsheet notation (such as S.02.01.01), the interested reader can learn the exact requirements of the individual contents according to the Commission Implementing Regulation (EU) 2015/2452.

The following templates are disclosed:

- Solvency II Balance Sheet (S.02.01.02)
- Premiums, claims and expenses by line of business (S.05.01.01)
- Life and Health Technical Provisions (S.12.01.02)
- Own funds (S.23.01.01)
- Solvency Capital Requirement (S.25.01.01 and S.28.01.01)

The following QRTs are not disclosed in the scope of this report:

- QRT S.25.02.21: Solvency Capital Requirement - for undertakings using the standard formula and partial internal model

  The Company uses only the standard formula to calculate the solvency capital requirement. This QRT is only to be disclosed by insurance companies that are also using a partial internal model.

- QRT S.25.03.21: Solvency Capital Requirement - for undertakings on Full Internal Models

  The Company uses only the standard formula to calculate the solvency capital requirement. This QRT is only to be disclosed by insurance companies that are using a full internal model.

Balance Sheet (S.02.01.02.01)

					Solvency II value
					C0010
Assets	Goodwill			R0010	
	Deferred acquisition costs			R0020	
	Intangible assets			R0030	1'556.00
	Deferred tax assets			R0040	-
	Pension benefit surplus			R0050	-
	Property, plant & equipment held for own use			R0060	2'059.00
	Investments (other than assets held for index-linked and unit-linked contracts)			R0070	9'289'644.91
	Investments (other than assets held for index-linked and unit-linked contracts)	Property (other than for own use)		R0080	-
		Holdings in related undertakings, including participations		R0090	-
		Equities		R0100	-
		Equities	Equities - listed	R0110	-
			Equities - unlisted	R0120	-
		Bonds		R0130	9'258'748.00
		Bonds	Government Bonds	R0140	-
			Corporate Bonds	R0150	9'258'748.00
			Structured notes	R0160	-
			Collateralised securities	R0170	-
		Collective Investments Undertakings		R0180	30'896.91
		Derivatives		R0190	-
		Deposits other than cash equivalents		R0200	-
		Other investments		R0210	-
	Assets held for index-linked and unit-linked contracts			R0220	114'936'454.32
	Loans and mortgages			R0230	-
	Loans and mortgages	Loans on policies		R0240	-
		Loans and mortgages to individuals		R0250	-
		Other loans and mortgages		R0260	-
	Reinsurance recoverables from:			R0270	-113'780.66
	Reinsurance recoverables from:	Non-life and health similar to non-life		R0280	-
		Non-life and health similar to non-life	Non-life excluding health	R0290	-
			Health similar to non-life	R0300	-
		Life and health similar to life, excluding health and index-linked		R0310	13'109.32
		Life and health similar to life, excluding health and index-linked and unit-linked	Health similar to life	R0320	-
			Life excluding health and index-linked and unit-linked	R0330	13'109.32
		Life index-linked and unit-linked		R0340	-126'889.98
	Deposits to cedants			R0350	-
	Insurance and intermediaries receivables			R0360	-
	Reinsurance receivables			R0370	-
	Receivables (trade, not insurance)			R0380	13'552.00
	Own shares (held directly)			R0390	-
	Amounts due in respect of own fund items or initial fund called up but not yet paid in			R0400	-
	Cash and cash equivalents			R0410	2'908'026.22
	Any other assets, not elsewhere shown			R0420	4'614.50
	Total assets			R0500	127'042'126.29

					Solvency II value
					C0010
Liabilities	Technical provisions - non-life			R0510	-
	Technical provisions - non-life	Technical provisions - non-life (excluding health)		R0520	-
		Technical provisions - non-life (excluding health)	Technical provisions calculated as a whole	R0530	-
			Best Estimate	R0540	-
			Risk margin	R0550	-
		Technical provisions - health (similar to non-life)		R0560	-
		Technical provisions - health (similar to non-life)	Technical provisions calculated as a whole	R0570	-
			Best Estimate	R0580	-
			Risk margin	R0590	-
	Technical provisions - life (excluding index-linked and unit-linked)			R0600	-
	Technical provisions - life (excluding index-linked and unit-linked)	Technical provisions - health (similar to life)		R0610	-
		Technical provisions - health (similar to life)	Technical provisions calculated as a whole	R0620	-
			Best Estimate	R0630	-
			Risk margin	R0640	-
		Technical provisions - life (excluding health and index-linked		R0650	-
		Technical provisions - life (excluding health and index-linked and unit-linked)	Technical provisions calculated as a whole	R0660	-
			Best Estimate	R0670	-
			Risk margin	R0680	-
	Technical provisions - index-linked and unit-linked			R0690	112'948'900.41
	Technical provisions - index-linked and unit-linked	Technical provisions calculated as a whole		R0700	-
		Best Estimate		R0710	112'328'272.17
		Risk margin		R0720	620'628.24
	Other technical provisions			R0730	
	Contingent liabilities			R0740	-
	Provisions other than technical provisions			R0750	323'185.60
	Pension benefit obligations			R0760	-
	Deposits from reinsurers			R0770	-
	Deferred tax liabilities			R0780	-
	Derivatives			R0790	-
	Debts owed to credit institutions			R0800	-
	Financial liabilities other than debts owed to credit institutions			R0810	-
	Insurance & intermediaries payables			R0820	3'255'753.16
	Reinsurance payables			R0830	-
	Payables (trade, not insurance)			R0840	220'775.76
	Subordinated liabilities			R0850	913'430.25
	Subordinated liabilities	Subordinated liabilities not in Basic Own Funds		R0860	-
		Subordinated liabilities in Basic Own Funds		R0870	913'430.25
	Any other liabilities, not elsewhere shown			R0880	71'775.15
	Total liabilities			R0900	117'733'820.33
Excess of assets over liabilities				R1000	9'308'305.96

Premiums, claims and expenses by line of business (S.05.01.01.02)

				Line of Business for: life insurance obligations: Index-linked and unit-linked insurance	Line of Business for: life insurance obligations: Other life insurance	Total
				C0230	C0240	C0300
Premiums written	Gross		R1410	20'591'208.58	-	20'591'208.58
Premiums written	Reinsurers' share		R1420	50'376.40	-	50'376.40
Premiums written	Net		R1500	20'540'832.18	-	20'540'832.18
Premiums earned	Gross		R1510	20'591'208.58	-	20'591'208.58
Premiums earned	Reinsurers' share		R1520	50'376.40	-	50'376.40
Premiums earned	Net		R1600	20'540'832.18	-	20'540'832.18
Claims incurred	Gross		R1610	144'030'504.59	-	144'030'504.59
Claims incurred	Reinsurers' share		R1620	-	-	-
Claims incurred	Net		R1700	144'030'504.59	-	144'030'504.59
Expenses incurred			R1900	2'829'305.88	-	2'829'305.88
Expenses incurred	Administrative expenses	Gross	R1910	1'964'394.75	-	1'964'394.75
Expenses incurred	Administrative expenses	Reinsurers' share	R1920	-	-	-
Expenses incurred	Administrative expenses	Net	R2000	1'964'394.75	-	1'964'394.75
Expenses incurred	Investment management expenses	Gross	R2010			-
Expenses incurred	Investment management expenses	Reinsurers' share	R2020			-
Expenses incurred	Investment management expenses	Net	R2100			-
Balance - other technical expenses/income			R2510			-
Total expenses			R2600			2'829'305.88

Life & Health Technical Provisions (S.12.01.01.01)

					Index-linked and unit-linked insurance	Index-linked and unit-linked insurance		Other life insurance	Other life insurance		Total (Life other than health insurance, incl. Unit-Linked)
					Index-linked and unit-linked insurance	Contracts without options and guarantees	Contracts with options or guarantees	Other life insurance	Contracts without options and guarantees	Contracts with options or guarantees	Total (Life other than health insurance, incl. Unit-Linked)
					C0030	C0040	C0050	C0060	C0070	C0080	C0150
Technical provisions calculated as a whole				R0010	-			-			-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole				R0020	-			-			-
Technical provisions calculated as a sum of BE and RM	Best Estimate	Gross Best Estimate		R0030		112'328'272.17	-		-	-	112'328'272.17
Technical provisions calculated as a sum of BE and RM	Best Estimate	Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		R0040		-126'889.98	-		13'109.32	-	-113'780.66
Technical provisions calculated as a sum of BE and RM	Best Estimate	Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses	R0050		-126'889.98	-		13'109.32	-	-113'780.66
Technical provisions calculated as a sum of BE and RM	Best Estimate	Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	Recoverables from SPV before adjustment for expected losses	R0060		-	-		-	-	-
Technical provisions calculated as a sum of BE and RM	Best Estimate	Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	Recoverables from Finite Re before adjustment for expected losses	R0070		-	-		-	-	-
Technical provisions calculated as a sum of BE and RM	Best Estimate	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		R0080		-126'889.98	-		13'109.32	-	-113'780.66
Technical provisions calculated as a sum of BE and RM	Best Estimate	Best estimate minus recoverables from reinsurance/SPV and Finite Re		R0090		112'455'162.14	-		-13'109.32	-	112'442'052.82
Technical provisions calculated as a sum of BE and RM	Risk Margin			R0100	620'628.24			-			620'628.24
Amount of the transitional on Technical Provisions	Technical Provisions calculated as a whole			R0110	-			-			-
Amount of the transitional on Technical Provisions	Best estimate			R0120		-	-		-	-	-
Amount of the transitional on Technical Provisions	Risk margin			R0130	-			-			-
Technical provisions - total				R0200	112'948'900.41			-			112'948'900.41

Own funds (S.23.01.01.01 and S.23.01.01.02)

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Ordinary share capital (gross of own shares)	R0010	17'790'910.00	17'790'910.00		-	
	Share premium account related to ordinary share capital	R0030	-	-		-	
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	3'400'000.00	3'400'000.00		-	
	Subordinated mutual member accounts	R0050	-		-	-	-
	Surplus funds	R0070	-	-			
	Preference shares	R0090	-		-	-	-
	Share premium account related to preference shares	R0110	-		-	-	-
	Reconciliation reserve	R0130	-11'882'604.04	-11'882'604.04			
	Subordinated liabilities	R0140	913'430.25		-	913'430.25	-
	An amount equal to the value of net deferred tax assets	R0160	-				-
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Deductions	Deductions for participations in financial and credit institutions	R0230	-	-	-	-	-
Total basic own funds after deductions		R0290	10'221'736.21	9'308'305.96	-	913'430.25	-
Available and eligible own funds	Total available own funds to meet the SCR	R0500	10'221'736.21	9'308'305.96	-	913'430.25	-
	Total available own funds to meet the MCR	R0510	10'221'736.21	9'308'305.96	-	913'430.25	
	Total eligible own funds to meet the SCR	R0540	10'221'736.21	9'308'305.96	-	913'430.25	-
	Total eligible own funds to meet the MCR	R0550	10'052'065.96	9'308'305.96	-	743'760.00	
SCR		R0580	3'960'339.00				
MCR		R0600	3'718'800.00				
Ratio of Eligible own funds to SCR		R0620	258.10%				
Ratio of Eligible own funds to MCR		R0640	270.30%				

			Value
			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	9'308'305.96
	Own shares (held directly and indirectly)	R0710	-
	Foreseeable dividends, distributions and charges	R0720	-
	Other basic own fund items	R0730	21'190'910.00
	Adjustment for restricted own fund items in respect of matching adjustment	R0740	-
Reconciliation reserve		R0760	-11'882'604.04

Solvency Capital Requirement (S.25.01.01.01 and S.25.01.01.02)

		Net solvency capital requirement	Gross solvency capital requirement
		C0030	C0040
Market risk	R0010	3'090'963.85	3'090'963.85
Counterparty default risk	R0020	98'833.70	98'833.70
Life underwriting risk	R0030	1'355'315.26	1'355'315.26
Health underwriting risk	R0040	-	-
Non-life underwriting risk	R0050	-	-
Diversification	R0060	-841'730.81	-841'730.81
Intangible asset risk	R0070	1'245.00	1'245.00
Basic Solvency Capital Requirement	R0100	3'704'627.00	3'704'627.00

			Value
			C0100
Adjustment due to RFF/MAP nSCR aggregation		R0120	-
Operational risk		R0130	255'712.00
Loss-absorbing capacity of technical provisions		R0140	-
Loss-absorbing capacity of deferred taxes		R0150	-
Capital requirement for business operated in		R0160	-
Solvency Capital Requirement excluding capital add-		R0200	3'960'339.00
Capital add-ons already set		R0210	-
Solvency capital requirement		R0220	3'960'339.00
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	-
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	-
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	-
	Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	4 - No adjustment
	Net future discretionary benefits	R0460	-

Overall MCR calculation (S.28.01.01.05)

		Result
		C0040
MCRL Result	R0200	789'557.48

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	
Obligations with profit participation - future discretionary benefits	R0220	-	
Index-linked and unit-linked insurance obligations	R0230	112'455'162.14	
Other life (re)insurance and health (re)insurance obligations	R0240	-	
Total capital at risk for all life (re)insurance obligations	R0250		3'387'628.76

		Value
		C0070
Linear MCR	R0300	789'557.48
SCR	R0310	3'960'339.00
MCR cap	R0320	1'782'152.55
MCR floor	R0330	990'084.75
Combined MCR	R0340	990'084.75
Absolute floor of the MCR	R0350	3'718'800.00
Minimum Capital Requirement	R0400	3'718'800.00