

***Catalina Worthing Insurance Limited***

**Solvency and Financial Condition Report (SFCR)**

**31 December 2025**

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## Executive Summary

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Catalina Worthing Insurance Limited (“the Company” or “CWIL”) is a UK-based non-life insurance undertaking regulated by the Prudential Regulation Authority (“PRA”) and the Financial Conduct Authority (“FCA”).

The Solvency and Financial Condition Report (“SFCR”) has been prepared in accordance with the requirements of the PRA Regulatory Reporting regime 2025. It covers the Business and Performance of the Company, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

In accordance with the PRA policy statement 18/25, CWIL is deemed to be a “small firm” and therefore its SFCR is exempt from the requirement to be externally audited.

This document, continues to refer to Solvency II rather than Solvency UK. In line with PS15/24, the PRA has confirmed that it would continue to refer to Solvency II in its Rulebook and materials, however eventually the prudential regime applicable to UK insurers will be called Solvency UK.

Where necessary, comparatives in this document have been restated to conform to changes in presentation in the current year.

### Business and Performance

The Company has been in run-off since July 2012. Its principal activities are the efficient and orderly run-off of its claims portfolio, the management of its cash and investments, and the timely collection of its reinsurance assets and other debts.

During the year, the Company made a loss after tax of £9.3 million (2024: loss after tax of £39.3 million). This mainly comprised a loss on the technical account of £28.3 million (2024: loss of £31.4 million) and net investment gains of £14.6 million (2024: loss of £8.1 million). Other income and tax credits totalled £4.4 million (2024: £0.2 million).

The loss on the technical account of £28.3 million (2024: loss of £31.4 million) was largely driven by experience on US London Market and UK employer’s liability portfolios.

Investment gains of £14.6 million (2024: loss of £8.1 million) comprise interest and dividend income as well as net realised and unrealised gains and losses.

Section A includes further details about the Company’s financial performance in the year.

### System of Governance

The Company has in place a Target Operating Model which is a framework by which governance across the wider Catalina Group operates. The Board is responsible for managing the overall direction and activities of the Company and for ensuring that an appropriate system of governance is in place.

A Risk Management Framework is embedded within the Company as well as the wider Catalina Group to ensure the objectives of respective entities are achieved.

Section B includes further details of the Company’s system of governance and risk management framework, including its implementation of the “Three Lines” model.

### Risk Profile

The Company’s risk profile has not changed significantly during the year. Its material risks are reserving, market, credit, liquidity and operational risks. Third-Party management, inflation, cyber security (including AI risks) and climate change are influencing the Company’s risk profiles to some degree and actions to further mitigate risks have been developed. Section C includes further details of the risks to which the Company is exposed and the methods by which it manages and mitigates these risks.

The latest Own Risk and Solvency Assessment (“ORSA”) was approved by the Board in June 2025. The annual ORSA is an integral part of the business and is considered in the strategic decisions of the Company.

## Valuation for Solvency Purposes

Assets, technical provisions and other liabilities are valued in the Company's Solvency II Balance Sheet according to Solvency II regulations.

As at 31 December 2025, CWIL's total own funds of £140.3 million (2024: £151.3 million) were £9.5 million higher (2024: £11.2 million higher) than the net assets in the CWIL financial statements of £130.8 million (2024: £140.1 million). The difference is primarily due to the valuation of gross and reinsurance technical provisions.

Section D provides further details of the different valuation bases used by Solvency II and UK GAAP for assets, technical provisions and other liabilities.

## Capital Management

The Company uses the Standard Formula to calculate its Solvency Capital Requirement ("SCR"). As at 31 December 2025, the Solvency II surplus was £74.3 million (2024: £77.1 million) corresponding with a Solvency II coverage ratio of 212% (2024: 204%).

The Company's own funds comprise £130.5 million (2024: £143.0 million) of Tier 1 unrestricted own funds and £9.9 million (2024: £8.3 million) of Tier 3 own funds. As at 31 December 2025, £2.7m of the Company's Tier 3 own funds were restricted and not eligible to cover its SCR (2024: no restrictions).

	2025	2024
	GBP'000	GBP'000
Total own funds	140,322	151,259
Standard Formula Solvency Capital Requirement	66,044	74,242
<b>Solvency II surplus</b>	<b>74,278</b>	<b>77,017</b>
<b>Ratio of eligible own funds to SCR</b>	<b>212%</b>	<b>204%</b>

In parallel with the regulatory capital basis of managing capital over a one-year horizon, the Company utilises an ultimate capital methodology that recognises the significant liability tail. This ultimate basis of capital management complements the regulatory basis.

## Outlook

The Company will continue its focused and pro-active approach to agreeing claims. This will facilitate compliance with the Financial Conduct Authority ("FCA") requirements and show consistent and fair treatment of customers' claims. Where appropriate, the Company's management will continue to outsource elements of the portfolio to FCA-authorized outsourced providers to manage claims. The Company maintains close control over the activities of its Third Party Administrators and legal panel.

On 31 March 2026, a transfer of UK Employers liability policies for 2006 and prior was completed from Zurich Insurance plc ("Zurich") into CWIL, pursuant to Part VII of the Financial Services and Markets Act 2000. This was, accompanied by a 50% quota share retrocession of this portfolio from CWIL to Catalina General Insurance Ltd. ("CatGen"). Under this transfer, effective 31 March 2026, the Company assumed £868.3m of gross insurance liabilities, which is supported by £472.2m of reinsurance and £396.0m of cash and investments as consideration for the Company assuming the net liabilities. Excess assets in the amount of £171.4m were also transferred to the Company by CatGen as a capital injection to establish the required Ultimate Capital Requirement ("UCR") coverage ratio at the point of transfer.

Subsequent to 31 December 2025, there have been no other material changes in the business and performance, system of governance, valuation for solvency purposes, and capital management for the Company.

## Statement of Directors' Responsibilities

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We acknowledge our responsibility for preparing the SFCR in all material respects in accordance with the PRA Rules and the Solvency II Regulations.

We are satisfied that:

- a) throughout the financial year ended 31 December 2025, the insurer has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable to the insurers; and
- b) it is reasonable to believe that the insurer has continued so to comply subsequently and will continue so to comply in future.

By Order of the Board



G J McAndrew

Director

1 April 2026

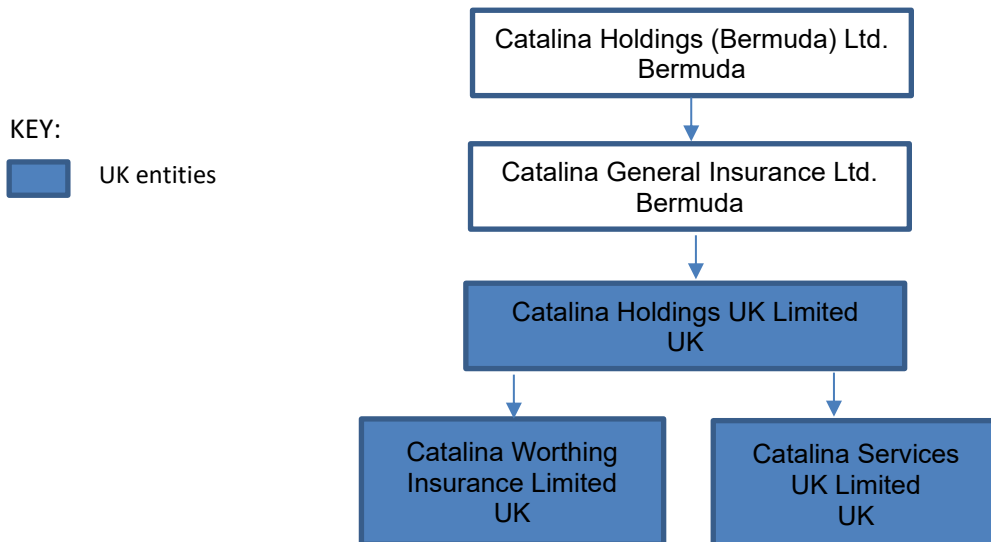
## A. Business and Performance

### A.1 Business and external environment

#### A.1.1 Undertaking, financial supervisory authority and external auditor

Name of the undertaking:	Catalina Worthing Insurance Limited
Address of its registered office:	Second Floor, Units B-C, Downlands Business Park Worthing BN14 9RX
Legal status:	Private Limited Company
Company registration number:	05965916
Legal Entity Identifier (LEI):	213800JEV93JTFJ41Q27
Ultimate parent:	Catalina Holdings (Bermuda) Ltd.
Financial supervisory authority:	Prudential Regulation Authority Bank of England Threadneedle Street London EC2R 8AH
External auditor:	Deloitte LLP 2 New Street Square London EC4A 3HQ

A simplified structure chart is laid out below outlining subsidiary companies, vertical structure and ultimate shareholder ownership. No director of the ultimate holding company sits on the Board of any of the UK legal entities.



The majority shareholders of Catalina Group are the affiliates (the “Apollo Funds”) of Apollo Global Management, LLC (together with its consolidated subsidiaries, “Apollo”) (NYSE: APO). RenaissanceRe Ventures Limited, a subsidiary of RenaissanceRe Holdings Limited (NYSE: RNR) is the minority shareholder alongside Catalina’s management.

The ultimate parent of CWIL is Catalina Holdings (Bermuda) Ltd. (“CHBL”). CHBL is a specialist consolidator of life and non-life insurance and reinsurance companies and portfolios in run-off. The Group is based in Bermuda and currently has offices in Bermuda, the United Kingdom, the United States of America, and Singapore.

In the UK, Catalina Holdings UK Limited (“CHUK”) is the insurance holding company of the Catalina UK Group. CHUK acts as the parent company of CWIL and Catalina Services UK Limited (“CSUK”), an insurance intermediary regulated by the FCA. As at 31 December 2025, CWIL is the sole insurance subsidiary of the UK Group.

CWIL prepares its financial statements on a UK GAAP basis and its reporting currency is GBP.

#### **A.1.2 Material lines of business and geographical areas where the Company carries out business**

CWIL was acquired by Catalina from The Hartford in 2017. The Company was initially established by The Hartford as a specialist Directors and Officers (“D&O”) writer in the London market where it wrote business from 2007 until July 2012 when it was placed into run off. In October 2015, the insurance business of Excess Insurance Company Limited (“Excess”), Hart Re (the trading name of the London branch of Hartford Fire Insurance Company Limited) and a portfolio of business originally written by London & Edinburgh Insurance Company (“L&E”) was transferred into the company by order of the High Court pursuant to Part VII of the Financial Services and Markets Act 2000.

In November 2022, the insurance business of AGF Insurance Limited (“AGF”) and Catalina London Limited (“CLL”), both of which were formerly regulated insurance subsidiaries owned by CHUK, were transferred into CWIL by order of the High Court pursuant to Part VII of the Financial Services and Markets Act 2000. Following the Part VII transfer, AGF and CLL were de-authorised by the PRA in April 2023 and subsequently dissolved. Within this report, CWIL’s insurance business preceding this Part VII transfer is referred to as the “legacy CWIL business”.

As at 31 December 2025, CWIL’s portfolio comprises the following books of business:

- Original Directors and Officers (“D&O”) business written in 2007-2012 as The Hartford;
- Excess business written prior to 1992, which mainly comprise US direct and treaty business Asbestos, Pollution and Health Hazard (“APH”) and UK Employers Liability business;
- Business of Hart Re, a pure reinsurer of European insurers which wrote business from 1993 to 2002, remaining risks being UK and European motor (including Periodic Payment Orders (“PPO”s)) and some pharmaceutical losses;
- L&E portfolio almost entirely consisting of US direct and treaty APH written through pools including Old Tower, Tower X, HS Weavers and B D Cooke;
- Business of AGF, originally incorporated under the name of Employers’ Mutual Insurance Association Limited, which wrote predominantly direct Employers’ Liability and Public Liability insurance within the UK until 1999; and
- Business of CLL formed through the combination of Alea London Limited (formerly The Imperial Fire and Marine Reinsurance Company), KX Re and OX Re, comprising property and casualty, aviation, marine, motor, personal lines and London Market. OX Re was also a member of a pool that reinsured property and casualty risks written by Community Re between 1979 and 1983. The OX Re book of business was fully commuted in 2022.

The table below shows the distribution of the Company's UK GAAP gross reserves by class of business across its direct and reinsurance portfolios:

<b>Class of Business</b>	<b>2025 % of Reserves</b>	<b>2024 % of Reserves</b>
Property	2.7%	3.4%
Liability	70.7%	68.5%
Marine, Aviation and Transport	1.2%	1.0%
Reinsurance – Casualty	24.0%	25.4%
Reinsurance – Marine, Aviation and Transport	0.6%	0.6%
Reinsurance - Property	0.7%	1.1%

## A.2 Performance from underwriting activities

The table below shows the underwriting performance for the Company for the year ended 31 December 2025, together with comparatives for the previous year.

During 2025, the Company realised a loss on the technical account of £28.3 million (2023: £31.4 million).

	<b>2025 GBP'000</b>	<b>2024 GBP'000</b>
Earned premiums, net of reinsurance	1	-
Claims incurred, net of reinsurance	(15,456)	(18,854)
Net operating expenses	(12,820)	(12,553)
<b>Balance on the technical account</b>	<b>(28,275)</b>	<b>(31,407)</b>
<b>By class of business:</b>		
Property	(1,987)	(706)
General liability	(20,776)	(20,868)
Marine, aviation and transport	326	16
Reinsurance – Casualty	(6,769)	(7,951)
Reinsurance – Marine, aviation and transport	(131)	363
Reinsurance – Property	1,062	(2,261)
<b>Balance on the technical account</b>	<b>(28,275)</b>	<b>(31,407)</b>

The Company's technical result for the year ended 31 December 2025 was largely driven by adverse claims experience on US asbestos and pollution claims and UK employers liability claims.

## A.3 Performance from investment activities

The table below shows the investment income for the Company for the year ended 31 December 2025, together with comparatives for the previous year.

	<b>2025 GBP'000</b>	<b>2024 GBP'000</b>
Net investment income	12,651	16,899
Net investment expenses	(1,156)	(349)
Net realised losses	(2,076)	(364)
Changes in fair value	5,195	(24,299)
<b>Net investment result</b>	<b>14,614</b>	<b>(8,113)</b>

Total investment gains in 2025 were £14.6 million (2024: loss of £8.1 million).

#### A.4 Other operating income and expenses

The table below details any other material operating income and expenses not shown in A2 and A3 above.

	<b>2025</b>	<b>2024</b>
	<b>GBP'000</b>	<b>GBP'000</b>
Foreign exchange gains	56	244
Tax credit/(charge)	4,300	(47)

Foreign exchange gains of £56k (2024: gains of £244k) arose from translation of foreign currency net assets into GBP, the Company's reporting currency.

Tax credit of £4.3 million (2024: charge of £0.1 million) reflects an increase in the deferred tax asset as a result of expected profits to be relieved against the Company's brought forward losses.

#### A.5 Any other disclosures

On 31 March 2026, a transfer of UK Employers liability policies for 2006 and prior was completed from Zurich Insurance plc ("Zurich") into CWIL, pursuant to Part VII of the Financial Services and Markets Act 2000. This was accompanied by a 50% quota share reinsurance of this portfolio from CWIL to CatGen, which is collateralised through assets held in a UK domiciled trust with the Bank of New York Mellon equivalent to 100% of net discounted case and IBNR reserves and a separate uncollateralised LOC with a provider with a A- credit rating to maintain total collateral of 115% undiscounted case and IBNR reserves.

Under this transfer, effective 31 March 2026, the Company assumed £868.3m of gross insurance liabilities, which is supported by £472.2m of reinsurance and £396.0m of cash and investments as consideration for the Company assuming the net liabilities. Excess assets in the amount of £171.4m were also transferred to the Company by CatGen as a capital injection to establish the required UCR coverage ratio at the point of transfer.

On 17 March 2026, £45.0m of Tier 2 ancillary own funds capital in the form of an LOC was put in place. This is in addition to the £171.4m Tier 1 capital transferred to support the Part VII transfer.

## B. System of Governance

### B.1 General Governance arrangements

The Company’s governance structures and policies are documented in a Governance and Internal Control (“GIC”) Framework. The Board operates under agreed Terms of Reference and dictates a clear system of governance that covers all significant aspects of the business, provides an open forum for challenge, and allocates clear responsibilities for both collective management committees and individuals.

The Board comprises:

- Three independent non-executive directors (“INED”);
- One non-executive director (group nominated);
- UK Chief Executive Officer (“CEO”);
- UK Chief Financial Officer (“CFO”); and
- UK Chief Claims Officer (“CCO”).

The Board mandates clear responsibilities for the four required key functions:

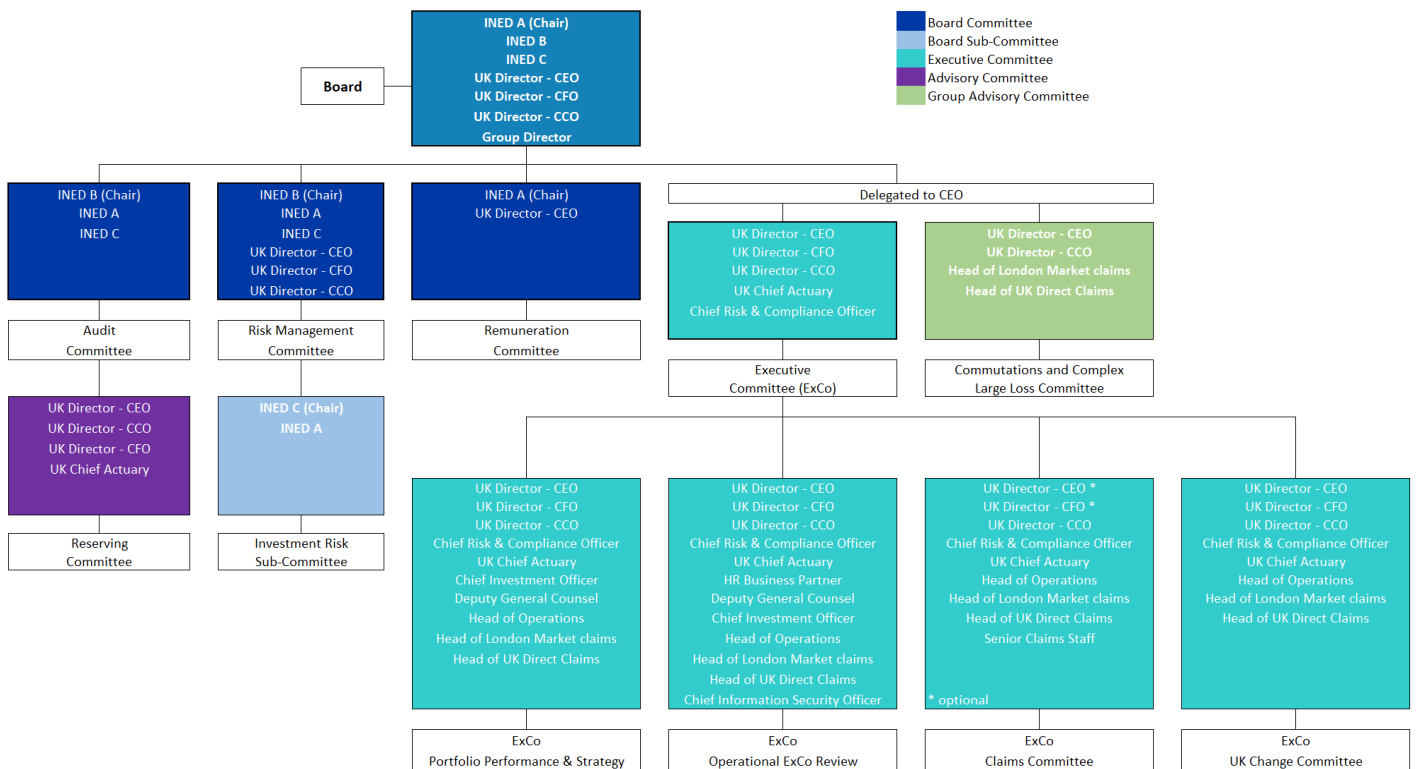
- Risk management;
- Actuarial;
- Compliance; and
- Internal audit.

In addition to the required key functions, the Board has determined that claims, investment management, outwards reinsurance, human resources and operations are key functions. The allocation of the Senior Manager Functions and key function holders is set out in the GIC and the Management Responsibilities Map (“MRM”). All senior managers and key function holders are employed by CSUK. The allocation of the Prescribed Responsibilities is also set out in the MRMs.

### Target Operating Model

The Company has in place a Target Operating Model (“TOM”) which is the framework by which governance across the Catalina group operates.

The following summarises the current TOM for CWIL:



### **Board Risk Management Committee**

The Board Risk Management Committee (“RMC”) meets outside of Board meetings, is chaired by an INED and currently comprises all the Executive directors and INEDs of the Company’s Board. The purpose is to have an enhanced focus on risks faced by the Group and the mitigation of those risks.

The Board has delegated the responsibility of oversight of the Risk Management Framework and Policy to the UK Chief Risk and Compliance Officer (“CRCO”). The Risk Management Framework and Policy defines the framework of the systems, controls, processes and procedures in place to identify, assess, mitigate and manage risk.

The Company has determined its risk appetite and a number of risk tolerances that are measured on a quarterly basis. Reports are included in the Risk Management Committee and Board papers on adherence to existing risk appetite levels and are summarised by the CRCO and the Risk Management Committee Chair at each Board meeting. The CRCO instructs the relevant risk owners to implement any remedial measures that the Board determines are appropriate.

A Board-level Investment Risk Sub Committee supports the RMC to provide further challenge to the UK Chief Investment Officer (“CIO”) on specific investment issues and thematic trends in the financial markets.

### **Board Audit Committee**

A principal objective of the Board Audit Committee (“AC”) is to evaluate and provide assurance that the risk management, control and governance systems of the Company are functioning as intended and will enable its objectives and goals to be met. This includes the Board discharging its responsibilities for monitoring the integrity of the financial statements and monitoring the effectiveness, performance and objectivity of the internal and external auditors. The AC is solely made up of the INEDs.

The Board has delegated to the UK Head of Internal Audit the responsibility of delivering internal audit services in accordance with the Group procedures at CWIL legal entity level. An Internal Audit Charter defines the purpose, scope authority, responsibility and reporting relationships of the Internal Audit function in supporting the AC in its duties. The Charter is reviewed by the AC on an annual basis.

The following committees are not Board-level committees, but instead they comprise the key management personnel from CWIL and the wider Catalina Group. They act in an advisory capacity to the Board.

### **Executive Committee**

The Board has delegated the day-to-day running of the Company to the UK CEO with a management team to assist in these duties. A report on these activities is presented at Board meetings which are held at least quarterly and with additional meetings as necessary.

The Executive Committee (“ExCo”) is comprised of the CEO, CFO, CCO, UK Chief Actuary and CRCO. The ExCo meets twice a year to assess the Target Operating Model and ongoing effectiveness of the working groups through which the business is managed. The four working groups are the UK ExCo Operational Review, Claims Committee, Portfolio Performance & Strategy and UK Change Committee.

### **Reserving Committee**

The Reserving Committee (“RC”) is in place to review and challenge the output from internal actuarial reviews. It is responsible for reviewing the adequacy of, and recommending the approval of, the Company’s reserves. Matters arising from the RC are reported to the AC.

### **Remuneration Committee**

CWIL does not have any direct employees and its services are provided by CSUK. CSUK employees are retained on a fixed basic salary plus a discretionary bonus element. Remuneration is reviewed and benchmarked regularly to be competitive with the rest of the market. The Chair of the Board and the CEO form the UK Remuneration Committee and meet annually with the UK HR Business Partner to review pay awards and bonuses.

## Commutations and Complex Large Loss Committee

The Commutations and Complex Large Loss Committee is an advisory committee charged with:

- i. The responsibility of overseeing claims practices, processes and procedures and providing a further level of control and direction for very large losses; and
- ii. The responsibility of CWIL's Commutation Policy and recommending all significant commutations.

Matters arising from this Committee are reported by the CEO to the Board.

## Investments

The Board approves and has oversight over the Strategic Asset Allocation ("SAA"), investment risk appetite and limits, delegating implementation and day-to-day oversight to the UK CIO. The CIO consults with the Catalina Group Investment and ALM Committee regarding overall investment strategy, as well as with the CWIL Board and Risk Management Committee. The CIO provides a report to Board and Risk Management Committee meetings, which looks at CWIL's investment risks and objectives, as well as its relative performance.

CWIL's SAA reflects its risk appetite and the requirements of the Prudent Person Principle. In particular, it sets out the requirement for technical liabilities to be backed by rated, liquid, relatively risk-free assets. Other investment classes, such as commercial real estate, are only used for investing surplus capital. Guidelines are in place governing the process for investing in alternative investments and these are closely monitored by the Enterprise Risk Management ("ERM") function.

## B.2 Fit and proper requirements

### Solvency II Requirements

The Solvency II Directive specifies that all persons who effectively run the undertaking or have other key functions are "fit and proper". Fit and proper persons must have the appropriate professional qualifications, knowledge and experience to enable them to perform their duties and fulfil their obligations, as well as be of good repute and integrity. Key functions are defined as all functions considered important or critical in the system of governance, including at least the Risk Management, Compliance, Internal Audit and Actuarial functions. The requirement for fit and proper extends to the Board, which collectively asserts that it has the qualifications, knowledge and experience to be able to provide for the sound and prudent management of the business.

The CEO is responsible for ensuring that activities are undertaken and managed by professionals with the appropriate experience, skill levels, and degrees of specialisation.

As part of the recruitment process, references are taken up and qualifications checked with the relevant authority or issuer. For senior managers and certification roles, regulatory references are obtained, and criminal record as well as credit reference checks are undertaken upon joining and reperformed every three years.

### Regulatory Requirements

Under section 59 of the Financial Services and Markets Act 2000, authorised firms are required to ensure that individuals seeking to perform one or more of the FCA/PRA-designated Senior Management Functions seek PRA and/or FCA approval prior to taking up their position. Each Company manages these requirements in accordance with the Senior Managers and Certification Regime ("SM&CR").

The Company takes reasonable care to maintain a clear and appropriate apportionment of significant responsibilities among its directors and senior managers in such a way that:

- It is clear who has which of those responsibilities;
- The business affairs of the firm can be adequately monitored and controlled by the directors and relevant senior managers and governing body of the firm;

- The Prescribed Responsibilities for each company are included in the Management Responsibilities Map (“MRM”); and
- Each senior manager has a Statement of Responsibilities setting out those business areas for which they are directly responsible.

The Company maintains an MRM to satisfy the requirements regarding apportionment and allocation of significant responsibilities. The MRM is updated quarterly or more frequently if required.

The following table sets out the Senior Management Functions (“SMFs”) for the Company as at 31 December 2025:

<b>Senior Manager Role</b>	<b>SMF</b>	<b>SMF role holder</b>
Chief Executive Function	SMF1	Graeme McAndrew
Chief Financial Function	SMF2	Gregg Jarvis
Executive Director	SMF3	Darren Rowswell Graeme McAndrew Gregg Jarvis
Chief Risk Function	SMF4	Christopher Porter
Head of Internal Audit	SMF5	Lee Langstaffe
Group Entity Manager	SMF 7	Andrew Diaz-Matos
Chair of the Governing Body	SMF9	Penny Shaw
Chair Risk Management Committee	SMF10	Jo Hine
Chair Audit Committee	SMF11	Jo Hine
Chair of the Remuneration Committee	SMF12	Penny Shaw
Compliance Oversight	SMF16	Christopher Porter
Money Laundering Reporting Officer	SMF17	Christopher Porter
Chief Actuarial Function	SMF20	Emma Burrows
Chief Operations Function	SMF24	Emma King Max Bemrose
Independent Non-executive Director		Walt Gontarek
Other overall responsibility:		
Chief Investment Officer	SMF18	Sean Stapleton

The UK Chief Risk & Compliance Officer keeps the PRA informed of persons filling the designated roles and reviews that they meet the fitness and probity requirement on an ongoing basis. A person filling a controlled function must be:

- Competent and capable;
- Honest, ethical and act with integrity; and
- Financially sound.

These checks are conducted independently to any checks performed by the PRA under its own fit and proper review. Checks include: criminal record, credit, evidence of professional qualification and ongoing continuing professional development and reference.

The Company maintains an ongoing Board education programme from which the SMFs also receive the benefit.

In addition to the SMFs above, the following key functions and key function holders have been identified. These individuals also fall within the SM&CR certification regime:

<b>Key function</b>	<b>Key function holder</b>
Human Resources	Camilla Marley
Head of Outwards Reinsurance	Gary Pollard
Head of London Market Claims	Rebecca Payton
Head of UK Direct Claims	Claire Hobman
UK Direct Claims Manager	Alexandra Black
UK Direct Claims Manager	Megan Dean
UK Direct Claims Manager	Claire Hamm
Assumed Claims Manager	Jeff Grant

### B.3 Risk management system

The Catalina UK enterprise risk management function is coordinated by the CRCO, who works under the authority of the Risk Management Committee. In line with the internal risk management policies of Catalina Group, CWIL's management team act as the 'first line'. They are primarily responsible for the running of the business and the operation of controls within their own areas, as well as the management of the business' risk profile, in line with Board expectations. Acting as the 'second line', the Risk Management Committee is responsible for the ongoing monitoring of business operations and the effectiveness and integrity of the risk management framework.

The overall risk management strategy is to ensure that a proper balance is struck between:

- The risks that are economically attractive to take. These must be properly modelled, measured and priced; and
- The risks that are economically unattractive to take. These should be avoided, identified, managed, mitigated and reduced where it is efficient to do so.

Within the Company's Risk Management Policy and Framework there are measures in place to ensure:

- Appropriate risk tolerances are in place to govern risk taking activities;
- An appropriate risk culture and risk appetite forms an essential part of strategic decision making;
- Measurement and monitoring of risk and reporting key risk metrics to senior management and the Board, including a Risk Appetite Dashboard; and
- Appropriate Business Planning and capital planning processes are in place to support the risk taking activities.

The risk framework is intended to reduce, but cannot eliminate, the range of possibilities which might cause detriment. Similarly, the risk management framework cannot provide protection with certainty against any failure to meet business objectives, or guard against material errors, losses, fraud, or breaches of law and regulations. The risk management framework is intended to provide reasonable assurance that business will be conducted in an orderly manner that reasonable foreseeable circumstances will not prevent or limit the achievement of business objectives.

In order to aid the management of overall risk, risk policies have been set for each of the core risk categories.

#### Own Risk and Solvency Assessment

The Own Risk and Solvency Assessment ("ORSA") documents the output of the Company's enterprise risk management process. The purpose of the ORSA is principally to support the Board of Directors and management to actively manage the economic risk and capital requirements and allow a strategic, forward-looking discussion of future risks and capital needs.

The Board and senior management's involvement are integrated into the ORSA process as they are engaged to challenge, discuss and debate the risks facing the Company. The ORSA process allows management, the Risk Management Committee and the Board to review the risk and capital requirements and take a strategic, forward-looking view of risks and capital requirements. The ORSA process includes a detailed

three-year capital management plan for the Company. As part of the ORSA process, the Company looks at the capital it requires using various bases including:

- Solvency II SCR; and
- Ultimate Capital Requirement (“UCR”).

Using these measures, the Company is able to assess its Own Solvency needs and the corresponding capital required. The Company utilises an unapproved internal model for the calculation of the UCR and the standard formula for the calculation of the SCR. Due to the long-tail nature of the Company’s claims liabilities, the UCR is deemed, by the Board, to be the appropriate measure of the Company’s capital requirements.

The ORSA process is used to highlight key issues to management, and allows management to confirm that:

- The current risk profile is understood and appropriate for the nature of a legacy portfolio and within the risk appetite of the Company;
- Capital requirements during the reporting period have continuously been met (or if not, corrective action was taken);
- The Company’s current capital and solvency position is appropriate;
- The Standard Formula model and Ultimate Capital Requirement leveraging output from the Company’s Internal Capital Model has been used appropriately for strategic decisions throughout the period;
- The risks to the enterprise that could likely change the risk profile are understood;
- The data used in this report to determine capital, technical provisions and other critical areas of this report has data quality controls, undergone peer review and where relevant has established signoffs as part of established BAU processes and procedures and the UK CRCO has identified no material data issues underlying this report;
- Plans to cover the solvency position and planned capital distributions over the required period are appropriate; and
- The volatility adjustment (“VA”) remains appropriate for the CWIL portfolio and sufficient tests are performed to assess the impact of changing assumptions to the VA and the impact to the CWIL balance sheet if the VA were turned to zero.

The ORSA is produced by management in conjunction with the Actuarial and Risk Management functions. The ORSA is presented to the Risk Management Committee and Board annually for challenge, comment and review. The most recent review took place in May 2025 with the ORSA approved in June 2025. The result of the Board’s review informs the future planning of the business and the following year’s ORSA.

Throughout the year ended 31 December 2025, the Company was within stated Tier I risk appetite and tolerances for the key indicators of solvency, investment compliance, regulatory and strategic risk. Until approved by the Board and booked, actuarial valuation outcomes resulted in temporary exceptions to the Tier 1 reserve risk appetite. Relevant Tier II exceptions were noted at the Risk Management Committee and Board with remediation activities executed in agreed timelines.

#### **B.4 Internal control system**

The Company’s internal control systems provide assurance that its operations are effectively controlled, it is compliant with applicable laws and regulations, and its financial reporting is reliable. The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the risk management and internal control systems. The oversight and management of these systems necessarily involves participation of the Board, the Audit Committee, the Risk Management Committee, senior management, Finance, Legal, Risk, Compliance and Internal Audit. Responsibility for ensuring day-to-day oversight of the internal control system lies with the company’s Senior Management Function holders and Key Function holders.

The Company actively promotes risk awareness and the importance of internal controls throughout the organisation. All employees receive regular risk management training to ensure they have the necessary knowledge to respond to risks that arise in their day-to-day work. Both senior management and the risk management function are proactive at keeping risk awareness to the forefront of daily operations by:

- Ensuring that all employees are aware of their role in the internal control systems as per the Fit and Proper Policy;
- Ensuring consistent communication and implementation of the internal control systems;
- Establishing monitoring and reporting mechanisms to review and report the decision making processes; including the quarterly operational status of key controls; and
- Providing appropriate training to all employees.

### **Compliance Function**

All actual or potential breaches of regulation are immediately referred to the CRCO.

The compliance function reports to the Risk Management Committee and is subject to oversight by the CEO. The Board is ultimately responsible to ensure that the Company remains compliant, where applicable, with the requirements of the 'PRA and FCA Handbooks of rules and guidance'.

The role of the compliance function is to support management in managing the Company's compliance risk and reputational risk. This also covers specific issues such as money laundering. At the operational level, the compliance function:

- Compiles and maintains Compliance Charts and/or Compliance Risk Assessments;
- Devises annual Compliance Plans to record risk-based activity for the coming year;
- Undertakes regular monitoring and ad-hoc reviews to verify that controls remain robust and adherence to procedures is maintained; and
- Reports compliance control failures, or incidents which may indicate a need to review Compliance Risk Assessments or mitigating procedures.

Within the Company, all payments and any potential new business arrangements are run through an Anti-Money Laundering ("AML"), Anti Bribery and Corruption and Sanctions ("ABC") online tool. Staff training on AML and ABC is also undertaken as part of the Compliance training program. The Board receives a quarterly report of any significant activity in these areas of monitoring.

The Board is also advised quarterly of the status of all open claims complaints.

### **Whistleblowing**

There is both a Catalina Group and a Catalina UK Whistleblowing Policy. The UK Policy contains all of the necessary referrals as required under the FCA rules, including an independent "Whistleblowing Champion". At present this is the Chair of the Board. The Catalina intranet has a link to allow easy access to the whistleblowing hotline and a reporting facility. Reports may be made anonymously if the whistleblower so wishes. This Policy is included as part of the compliance induction process. Catalina takes whistleblowing reports seriously and to protect anyone who makes a complaint in good faith. Ethics training undertaken for all Catalina Group staff includes whistleblowing.

### **B.5 Internal audit function**

The mission of the Internal Audit function ("IA") is to enhance and protect organisational value by providing risk-based, independent and objective assurance, advice, and insight to the Board and Senior Management. IA is the 'third line' within the Company. To ensure independence, the Head of Internal Audit reports to the Chair of the Audit Committee and functionally to the CEO.

The Internal Audit Charter defines the function's purpose, authority and responsibility and position within the organisation. This is reviewed by the Audit Committee on a periodic basis. The activities of the function, as noted in the charter, are designed to add value and facilitate the improvement of the organisations effectiveness and efficiency of governance, risk management, and internal control processes.

IA performs its own risk assessment which informs its annual internal audit plan. The Plan is reviewed and approved by the Audit Committee. Updates to the Plan may be made during the year to reflect the

Company's evolving risk landscape and needs. Quarterly updates on the activities of IA are provided to the Audit Committee, these updates include:

- Detailed audit reports from the individual audits and summary audit opinions on the control environment of the specific processes, function and or themes audited;
- Annual summary controls report and opinion;
- Emerging trends and risk and control culture;
- The status of agreed management actions; and
- The adequacy and appropriateness of the resources and skills of the function.

The Head of Internal Audit meets privately with the Chair of the Audit Committee at least once a year. The IA function is authorised to review all areas of the Company's operations and to have full, free and unrestricted access to all of the Company's activities, records, property and personnel necessary to complete its audit work. IA is authorised to allocate resources, determine frequency of reviews, determine audit scopes and audit tools and techniques and, to obtain the necessary assistance and specialised subject matter expert services within or outside the Company to accomplish the audit objectives.

The operating guidance for the department is documented in the Catalina Internal Audit Framework. This is updated on an annual basis and adopts Global Internal Audit Standards (effective 9 January 2025). IA staff comply with the Code of Ethics issued by the Institute of Internal Auditors ("IIA") alongside the Catalina Code of Conduct. In addition, the operating guidance and practices are aligned to the UK Internal Audit Financial Services Code of Practice which has some additional requirements.

## B.6 Actuarial function

The Company's Actuarial Function Holder is the UK Chief Actuary supported by an in-house actuarial team. The Group Chief Actuary provides additional peer review support. The actuarial function:

- Co-ordinates the UK GAAP reserving for CWIL, taking into account the in-house view and any opinions provided by external independent consultants;
- Adjusts the UK GAAP reserves to Solvency II Best Estimate of Liabilities ("BEL");
- Uses the BEL and audited balance sheet to calculate the Company's Standard Formula Capital Requirements, Risk Margin and Own Funds;
- Works closely with the CRCO on the ORSA and on wider risk management issues. For the ORSA in particular, the capital level and capital requirements on one-year and to-ultimate bases are projected over the planning period including the modelling of stresses, scenarios, and reverse stress tests;
- Through the Actuarial Function Holder Report, reports to the Board and opines on levels of reserve adequacy, reinsurance arrangements and underwriting policy; and
- Assesses the capital impacts of any material changes in the Company, such as a material change in its reinsurance arrangements.

Each of these activities is undertaken at least annually, but also on an "as and when required" basis to support the business and its decision-making processes.

## B.7 Outsourcing

Outsourcing is the delegation of a process, service or activity to a service provider. The Company's core strategy is to utilise and enhance key and distinguishing in-house competences in areas required to manage and extract value from books of business under its control; such competences include claims adjustment, commutation negotiation, reinsurance collections, actuarial evaluation, capital modelling and developing and implementing the most effective and efficient exit strategies, whilst at all times properly meeting the rights and requirements of policyholders, reinsurers, regulators, capital providers and other stakeholders.

When considering whether to outsource any process, service or activity to an external provider, the Company will take account of:

- Its own resource levels and availability;

- Its own internal capabilities and cost structures;
- The timing and extent of any requirements in comparison with the capabilities; and
- Costings and security of an outsource service provider.

The overarching principle will be that whereas processes, services or activities may be delegated to an outsource service provider, ultimate responsibility for those processes, services and activities will remain with the Company undertaking the outsourcing. Outsourcing arrangements have been established in locations that are a best fit for the underlying service.

The Company has an Outsourcing and Third Party Management Policy, the purpose of which is to establish the requirements for identifying, justifying, and implementing outsourcing arrangements for its critical or important operational functions or activities. The objective of the Policy is to ensure that the outsourcing of critical or important operational functions or activities does not lead to:

- Reduction in the Board's responsibility for, or influence over key functions;
- Material impairment of the quality of the system of governance;
- Non-adherence to approved policies and procedures;
- Undue increases in operational risk or cost;
- Material impairment to fulfil obligations to stakeholders, nor impede effective supervision by regulators;
- Conflicts of interest; and
- Breach of data protection obligations.

The Board is ultimately responsible for the approval and termination of its outsourcing arrangements of critical or important functions or activities. Critical or important functions or activities include key functions of the system of governance and all functions that are fundamental to carry out its core business. A vendor risk dashboard is produced and monitored by the business in order to escalate vendor matters as necessary to the Board Risk Management Committee and Board.

Within the Company, outsourcing is used in specific areas of claims handling and investment management. CWIL also has an intragroup outsource service agreement with CSUK for the provision of staff and ancillary services.

## **B.8 Assessment of Governance**

Continuous internal reviews are undertaken to future-proof the Catalina governance model and to ensure it is proportionate to the nature, scale and complexity of the operations of the Company, but also meeting ongoing policyholder obligations.

## C. Risk Profile

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### C.1 Underwriting (Liability) Risk

#### C.1.1 Risk exposure

CWIL has been in run-off since 2012, however the vast majority of the Company's books of business have been in run off since 1992-1998. As at 31 December 2025, there were no unexpired insurance risk exposures from in-force policies.

Underwriting or insurance risk is concerned with fluctuations in the timing, frequency and severity of insured events, relative to expectations at the time of underwriting. As CWIL is no longer exposed to losses from new events, these risks are limited to reserve risk, i.e., the risk of losses due to the adverse development of loss reserves. CWIL monitors reserving volatility and its implications on the results through reserve deteriorations or redundancies, its booked reserves against external actuarial estimates and other measures like Actual versus Expected ("AvE") for claims severity and frequency.

Actual underwriting results are monitored against budgeted results on a quarterly basis, although for meaningful variances the underwriting reserves, gross and net are subject to annual actuarial review which is compared to the Business Plan. Given CWIL's run-off status, management focuses primarily on variances in claims reserves.

In addition to the formal Committees that are part of the governance framework that monitor insurance risk, the Executive Committee meetings are an important tool to increase coordination and manage risk. There are four such Executive Committee meetings: Operational Review Group held monthly where senior managers provide updates on local and group level initiatives and operational tasks; Claims Committee meetings held quarterly covering the claims experience for all classes of claims; monthly Portfolio Performance and Strategy meetings at which the overall company business financial performance is reviewed in particular against objectives for the year and monthly Change Committee to oversight strategic and other agreed change and improvement initiatives. These meetings all contribute to ensuring insurance risk is being properly managed against strict and prudent reserving guidelines and standards.

CWIL has established robust systems and controls to ensure that claims settlement is performed according to its guidelines, within the adjuster authorities and to establish appropriate reporting requirements.

#### C.1.2 Underwriting (Liability) Risk Exposures, Concentrations, Mitigations and Sensitivities

Most of the Company's remaining gross exposures relate to asbestos, and hearing impairment claims, arising from employer's liability business in the UK and asbestos, pollution and health hazard losses arising from direct and treaty involvements in the US.

Liability risk exposures are mitigated by diversification across a portfolio of insurance contracts and geographical areas. Furthermore, strict claim review policies are in place to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent review of all claims are the key policies and procedures put in place to reduce risk exposure. CWIL further enforces a policy of actively managing and promptly pursuing claims, to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

Notwithstanding the impact of inflation, reserves are relatively insensitive, due to the events which caused the claim occurring many years ago. Nevertheless, reserve sensitivity is modelled in both the ORSA and in the Solvency II SCR and UCR. Risk sensitivity is further reduced through reinsurance. For the legacy CWIL business, an 80% quota reinsurance arrangement with CatGen, a Bermuda-based reinsurer which is part of the Catalina Group, significantly reduces the net exposure.

## C.2 Market Risk

### C.2.1 Risk exposure

Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates, interest rates and other price changes. Market risk arises due to fluctuations in both the value of assets held and the value of liabilities.

All investment decisions are made subject to due consideration of the Prudent Person Principle (“PPP”) as set out in Supervisory Statement SS1/20 of the UK Solvency II Directive. The PPP requires the Company to develop an investment strategy that describes:

- Investment objectives and strategic asset allocation;
- consideration of investment constraints when setting investment objectives and strategic asset allocation;
- Alignment of the investment strategy with the business model and, where appropriate, how the strategy takes into account the nature and duration of a firm’s liabilities and obligations, and the best interests of policyholders;
- Alignment of investment strategy with board risk appetite, risk tolerance limits and investment risk and return objectives;
- Complete list of assets and how those assets have been invested in accordance with the PPP.

The Company seeks to maximise investment returns within its Board-approved Strategic Asset Allocation, the Investment Risk Policy and the Investment Policy Statement and Guidelines (“IPS”).

The Company’s investment policy and related guidelines have been formulated to ensure that they are in accordance with all aspects of the PPP. Its investment goals are to:

- Preserve invested capital;
- Protect policyholders’ interests and the Company’s ability to meet liability payouts and operating expense obligations as they become due;
- Manage the Company’s investment portfolios at all times in conformity with the UK regulatory and legal frameworks;
- Establish a liability driven investment strategy by way of respecting the duration profile of the liability portfolio and creating an asset liability matching investment portfolio;
- Optimise the portfolio to provide a sustainable risk-reward profile that ensures solvency coverage is not excessively impacted during severe market events; and
- Manage the investment portfolio in line with the established Risk Appetite Framework and the Company’s specific investment guidelines.

The Company’s investment policy and related guidelines are implemented by the in-house Catalina Asset Management team, with assistance from the Apollo Insurance Solutions Group International (“ISGI”) and external investment managers as required to achieve optimal outcomes. The UK CIO is responsible for making investment decisions on behalf of the Company and for ensuring compliance with the asset allocation and counterparty exposure limits specified by the Company’s investment guidelines and risk appetite statements.

#### **Interest rate risk**

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Company is exposed to interest rate risk from its long-term investments at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rate investments. In addition, during the year, the company has adopted a policy of mitigating interest rate exposure by use of interest rate swaps.

Asset/liability matching is an important component of CWIL’s investment management philosophy. The weighted average life of investments is typically managed to be slightly shorter than liability run-off profiles.

The Company's main source of interest rate exposure is fixed-rate cash bonds of which they hold different types, primarily corporate and government bonds. There are also holdings of other asset types, such as municipal bonds and several types of securitized products. Many of those have floating-rate coupons so have little rate exposure.

During the year, the company has adopted a policy of mitigating interest rate exposure by use of interest rate swaps. Interest rate swaps are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the contract terms of each swap and discount curve and forward rate market data.

Management actively monitors interest rate risk, primarily through use of key rate durations and effective duration. Limits on effective duration are specified in the Investment Guidelines, which are modelled using data from Bloomberg. The CIO reports to the Risk Committee and the Board on key market risk metrics and compliance with market risks.

While for UK GAAP purposes, the value of liabilities is unaffected by interest rate changes, for Solvency II purposes, the technical provisions are affected, as they are discounted in line with risk free interest rates. An increase in interest rates reduces the value of both interest rate-sensitive assets and the value of Solvency II technical provisions. This provides a natural offsetting effect, as the net impact is reduced compared to the monetary amount of the change for the assets or liabilities alone.

An interest rate risk charge is modelled as part of the solvency capital requirement, to ensure sufficient capital with a probability of 99.5% over a twelve month period.

The sensitivity analyses below have been determined based on the exposure to interest rates for investments held at the balance sheet date. A 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

<b>Pre-Tax Profit Impact</b>	<b>2025</b>	<b>2024</b>
	<b>GBP'000</b>	<b>GBP'000</b>
1% increase	(17,431)	(21,438)
1% decrease	17,431	21,438

### Foreign exchange risk

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The risk of exposing the assets or liabilities to exchange rate fluctuations is managed by broadly matching liabilities with assets in the same currencies.

Assets and liabilities by currency are reviewed each quarter to ensure they are matched where possible and that cash is available to discharge liabilities in their respective currencies. From time to time, the Company may utilise foreign currency forward contracts as part of its overall foreign currency risk management strategy or to obtain exposure to a particular financial market. These derivatives are not designated as hedging investments.

The Company's main foreign currency exposures are to USD and EUR. The sensitivity analysis below has been determined based on the net asset exposure to USD and EUR movements as at 31 December 2025. A 10% increase or decrease is used when reporting foreign exchange risk internally to key management personnel and represents management's assessment of the reasonably possible change in currency rates.

<b>Pre-Tax Profit Impact</b>	<b>2025</b>	<b>2024</b>
	<b>GBP'000</b>	<b>GBP'000</b>
<b>GBP / USD</b>		

10% increase in USD/GBP exchange rate	(999)	(306)
10% decrease in USD/GBP exchange rate	999	306
<b>GBP / EUR</b>		
10% increase in USD/EUR exchange rate	(2,011)	(1,345)
10% decrease in USD/EUR exchange rate	2,011	1,345

### Other price risk

The Company is exposed to price risk arising from fluctuations in the value of financial instruments as a result of changes in the market prices and the risks inherent in all investments. The Company has no significant concentration of price risk. The risk is managed by maintaining an appropriate mix of investment instruments, including those with floating rate characteristics.

The Company's sensitivity to a 1% increase and decrease in market prices is as follows:

<b>Pre-Tax Profit Impact</b>	<b>2025</b>	<b>2024</b>
	<b>GBP'000</b>	<b>GBP'000</b>
<b>1% increase</b>		
Movement in fair value of share and other variable securities in unit trusts	161	144
Movement in fair value of debt securities and other fixed income securities	1,630	1,962
Movement in fair value of other financial investments	662	693
<b>1% decrease</b>		
Movement in fair value of share and other variable securities in unit trusts	(161)	(144)
Movement in fair value of debt securities and other fixed income securities	(1,630)	(1,962)
Movement in fair value of other financial investments	(662)	(693)

### C.2.2 Market Risk Exposures, Concentrations, Mitigations and Sensitivities

The Company manages investment risk through extensive use of portfolio management analysis software and the appointment of specialist asset managers, who have demonstrated an extensive and successful track record of managing assets on behalf of insurance and reinsurance clients. Mandates assigned to asset managers clearly stipulate the terms on which investments may be made. Documented mandates are referred to as Investment Policy Statements.

Quarterly scenario testing is performed based on various past market distress events to understand the implication of changes in asset mix and duration. For the management of interest rate risk, this takes the form of matching asset cashflow duration with maturities of liabilities to maintain adequate positive net cash flow and ascertain any duration imbalance.

Where appropriate and cost efficient, hedging strategies may be pursued to protect the strength and ensure the stability of the Company's asset base.

Historic stress tests are determined by looking at the total returns over a specified period. Market stress tests are determined by calculating the beta of each index to the time series used in the scenario definition, with two years of month-end to month-end returns for the data. Market stress tests are performed quarterly and are included in each company's risk management reporting packs.

CWIL is permitted to invest in publicly-traded equities in both the UK and the US, private-equity funds and commercial real estate. Bonds are owned in several currencies, but almost all holdings are held in currencies in which the majority of CWIL's insurance liabilities are denominated. Equity and currency exposures are tracked carefully; and are included in the VaR type analyses. The historic stress tests are essentially historic simulation models.

Market risk is tracked in various ways, including rate and spread durations, asset liability management and historic stress tests. The Company's assets and liabilities are well matched against liquidity and currency risk. There is a comprehensive set of investment checks and balances which define in detail the Company's risk appetite in respect of individual and sector concentration, effective duration, credit quality, and

exposure to emerging markets and high yield instruments. Adherence to these measures forms part of the regular investment risk reporting. The Board and Risk Committee provides regular oversight of all investment decisions to ensure compliance the Company's guidelines and any relevant regulations.

### C.3 Credit Risk

#### C.3.1 Risk exposure

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The key areas of exposure to credit risk for CWIL are in relation to its investment portfolio, reinsurance programme and, to a lesser extent, amounts due from intermediaries. Policies and procedures are in place to manage and measure credit risk. For certain reinsurance arrangements, this includes mitigation through collateralisation arrangements.

Credit risk monitoring is mainly through the regular monitoring of external credit ratings for the Company's investment portfolio and its reinsurance assets. Only credit ratings from external credit assessments institutions are used, and the overall credit quality step is calculated in line with Solvency II regulations. Where there are no credit assessments from external credit assessments institutions, the credit quality step used is 'Unrated' (i.e., no internal credit assessments made at present).

The following table shows aggregated credit risk exposure for assets with external credit ratings; the carrying value of assets that are neither past due nor impaired; and the ageing of assets that are past due or impaired:

	2025 GBP'000	2024 GBP'000
<b>By class of asset:</b>		
Financial investments	16,138	14,378
Debt securities and other fixed income securities	162,968	196,176
Other Financial Investments	97,038	90,366
Assets arising from reinsurance contracts held	258,220	297,501
Assets arising from insurance contracts held	149	96
Cash and cash equivalents	31,412	48,668
Other assets	20,313	18,639
<b>Total assets bearing credit risk</b>	<b>586,238</b>	<b>665,824</b>
<b>By credit rating:</b>		
AAA	5,899	5,791
AA	124,226	128,591
A	91,131	114,020
BBB	40,855	50,310
Below BBB or not rated	324,127	367,112
<b>Total assets bearing credit risk</b>	<b>586,238</b>	<b>665,824</b>
<b>Financial assets past due or impaired:</b>		
Neither past due nor impaired	24,363	21,105
Past due less than 30 days	116	196
Past due 31 to 60 days	3,200	1,475
Past due 61 to 90 days	460	1,005
Past due more than 90 days	54	439
<b>Total financial assets past due or impaired</b>	<b>28,193</b>	<b>24,220</b>

Total financial assets past due or impaired, are shown net of bad debt impairments of £26.6 million as at 31 December 2025 (2024: £26.9 million).

Internal credit risk refers to the internal reinsurance in place with the quota share arrangements with CatGen. This exposure is mitigated through the collateralisation requirements where investments of average A- rated quality equivalent to 100% of net discounted case and IBNR reserves are held in a UK domiciled trust with the Bank of New York Mellon and a separate uncollateralised Letter of Credit ("LOC")

with a provider with a A- credit rating is held to maintain total collateral of 120% undiscounted case and IBNR reserves. CatGen's performance is monitored on a quarterly basis, the levels of collateral are monitored monthly and an exercise is performed annually to validate an internal rating for CatGen in the Catalina Internal Capital Model using a rating agency framework. This exposure is actively monitored on a quarterly basis at the Board Risk Management Committee including the submission of an annual risk assessment on CatGen and CHBL.

### **C.3.2 Credit Risk Exposures, Concentrations, Mitigations and Sensitivities**

Credit risk relates to the possibility that the Company becomes exposed to losses occurring as a result of third parties and counterparties failing to fulfil their obligations. Credit risk on receivables is minimised by pursuing early commutation where possible and if economically beneficial, as well as ongoing monitoring of reinsurers for creditworthiness and ability to make payments as they arise.

The Company is also exposed to credit risk via its investment portfolio. Its investment guidelines stipulate that credit quality may not fall below a weighted average of A- across the portfolio. There are also specific concentration limits around individual obligors and around industry/sector exposures. The CIO is responsible for credit risk compliance reporting to the Board and the Risk Committee. Selected credit risk metrics and any breaches of the guidelines are reported to the Risk Committee.

The stress testing and sensitivity results cover both market and credit risks.

## **C.4 Liquidity Risk**

### **C.4.1 Risk exposure**

Liquidity risk is the risk that the Company cannot meet its obligations associated with financial liabilities as they fall due. The objective of liquidity risk management is to ensure that the Company has sufficient access to funds necessary to cover insurance claims and other financial obligations as they fall due. CWIL manages its liquidity risk by monitoring forecast and actual cash flows. Most of its assets are marketable securities which can be converted into cash when required.

### **C.4.2 Liquidity Risk Exposures, Concentrations, Mitigations and Sensitivities**

CWIL manages liquidity risk through regular forecasting of expected cash flows. Considerations for liquidity management include analysis of asset and liability mean terms and durations.

Regular oversight of the Company's liquidity position is conducted by the CFO, Group Treasurer and/or CIO in conjunction with the Finance team. Regular reporting of assets encumbered by Letter of Credit or Trusts is supplied to the Board. In addition, a quarterly analysis of estimated time to liquidate assets from the portfolio is presented to the Risk Committee to establish exposure to illiquid positions.

The Company holds significant amounts of liquid investments and cash. Liquidity stress testing and sensitivity analysis is not undertaken given the considerable cash and cash equivalents held compared against the duration of liabilities.

The following table shows details of the expected maturity profile of the Company's undiscounted obligations with respect to its financial liabilities and estimated cash flows of recognised insurance liabilities.

	Less than 1 year	1 – 5 years	5+ years	Total
2025	GBP'000	GBP'000	GBP'000	GBP'000
<b>Financial liabilities and claims outstanding</b>				
Claims outstanding	37,373	127,842	246,643	411,858
Deposits received from reinsurers	2,919	9,984	19,263	32,166
Creditors arising out of reinsurance operations	6,789	-	-	6,789
Other creditors including taxation and social security	3,709	-	-	3,709
Accruals and deferred income	922	-	-	922
	<b>51,712</b>	<b>137,826</b>	<b>265,906</b>	<b>455,444</b>
<hr/>				
2024	GBP'000	GBP'000	GBP'000	GBP'000
<b>Financial liabilities and claims outstanding</b>				
Claims outstanding	43,448	148,639	273,683	465,770
Deposits received from reinsurers	3,825	13,087	24,097	41,009
Creditors arising out of reinsurance operations	7,655	-	-	7,655
Other creditors including taxation and social security	10,742	-	-	10,742
Accruals and deferred income	549	-	-	549
	<b>66,219</b>	<b>161,726</b>	<b>297,780</b>	<b>525,725</b>

## C.5 Operational Risk

### C.5.1 Risk exposure

Operational risk relates to the possibility that the Company becomes exposed to losses occurring as a result of failures within their internal systems and processes. The Company's operational risk mainly stems from people, process or technology failures. Close collaboration with the functional areas, for example through the discussion of operational risks at Executive Committee Operating Review meetings, allows the CRO and management to identify any vulnerabilities before they adversely affect business process.

## C.6 Other Material Risks

### *Strategic Risk*

With the strategy of the Catalina Group continuing to be growth through life reinsurance opportunities and the maintenance of existing property and casualty businesses including CWIL, the director's focus is on ensuring the sufficiency of resources and capabilities to manage the business through the liability run-off and the risks around this.

### *Inflation Risk*

Inflation is generally measured as a year on year % change, with the UK Consumer Price Index ("CPI") rising by 3.4%, UK wage inflation rising by 4.0% and the US CPI rising by 2.7% in the 12 months to December 2025 (in the 12 months to December 2024, the UK CPI rose by 2.5%, UK wage inflation was 5.9% and the US CPI rose by 2.9%). The potential impacts of inflation on the Company are on the cost of settling claims, investment returns and operating expenses.

Active monitoring and mitigation of inflation risk will continue in 2026 with particular emphasis on social inflation within the US for the Company's US exposures and the general appropriateness of inflation assumptions used in reserving with a focus on the impacts of conflicts in the Middle East. The Company's

asset-liability matching programme and strategic asset allocation are reviewed annually and includes consideration of the expected impacts of inflation.

#### *Third-Party Risk*

The Company has in 2025 refined its third-party management framework, including the adoption of the latest Catalina Outsourcing and Third-Party Management Policy and enhanced processes to further embed third-party management into the business. The Company reports on its material third party's annually to the Board and escalates third-party issues as necessary to ensure effective remediation has been agreed. The Company will also, when necessary, engage with the PRA to ensure their non-objection to any new material third-party relationships, including further outsourcing per the requirements of Supervisory Statement 2/21.

#### *Cyber Security Risk*

Cyber threats are expected to remain persistent and increasingly complex, driven partly by the widespread availability and potential misuse of artificial intelligence ("AI") tools. AI enables threat actors to deliver highly-convincing phishing campaigns and execute multi-vector attacks with greater speed and precision. Risks from email compromise, ransomware, and supply chain breaches also remain prevalent, with the insider threat position rising through AI amplified social engineering risks.

The Catalina Group continues to position itself to respond to these risks in an effective manner, building on the foundations of the Information Security Strategy, Technology Transformation activities and Third-Party activities.

#### *Geopolitical Risk*

Geopolitical risks continued through 2025 and into 2026 as the Russia-Ukraine and Middle East conflicts, including an escalation in Iran persisted. Global economic volatility has increased as a result with political posturing from the United States exacerbating the risk of monetary trade policies continuing to lead to financial instability and consumer spending shocks. The Company will continue to be vigilant in monitoring this risk, with particular focus on the review of existing investment stresses in 2026 to ensure they reflect severe but plausible market events that could occur and continuing to be diligent around monitoring various concentrations (sector, geographical, funding activity, etc).

#### *Emerging Risks*

The Company has established processes and procedures to monitor emerging risks to ongoing operations as part of its governance structure. A collection of torts potentially relevant to Catalina are monitored and reviewed, including sexual abuse, CTE (brain injuries), PFASs (forever chemicals) and climate change to assess their implications to the business. In addition, a horizon scan of relevant regulatory, legislative, relevant court cases and other industry body issues are monitored to assess their likelihood and impact on the UK business if they were to crystallise. Updates on the emerging risk landscape are provided to the UK Board Risk Management Committee twice a year which build off of regular reporting within various UK governance forums.

#### *Sustainability Risk*

The Board has responsibility for considering climate-related matters and risks. Researching and integrating Environmental, Social and Governance ("ESG") factors into Catalina's broader risk management framework as part of sustainability risk monitoring is becoming more important. The PRA published Policy Statement PS25/25 in December 2025 and issued Supervisory Statement SS5/25 which updates the PRA's position on managing climate related risks. The PRA expects firms to carry out an internal review of their current status against the updated expectations within six months of commencement, identifying any gaps and developing a plan to address them. The Board plans to update its climate change risk assessment in 2026 to ensure all relevant regulatory guidance has been incorporated.

Environmental risks are currently managed through the following:

- *Environmental, Social and Governance (“ESG”)*

The Company has adopted the broader Catalina Group ESG policy and, through this, established a UK ESG Committee.

The UK ESG Committee is tasked to promote the intentions of the ESG policy and the need to engage in wider society by playing a part in ensuring consideration of the environment in business decisions, including for example where to invest and how to reduce the carbon footprint. It also considers employee wellbeing and investing in its employees to educate, support and empower and is committed to a responsible culture that supports employee inclusion and maintains rigorous standards of governance.

- *Investment Decisions*

The Company has reviewed its approach to investments in light of the ESG policy. This is driven by a conviction that ESG considerations are increasingly relevant as a performance driver. Aggregate exposures to carbon intensive industries are monitored and the Company has recently adopted a new climate exposure aggregate appetite limit based on a % of total assets under management to manage this.

## D. Valuation for Solvency Purposes

This section provides a description of the bases, methods and other assumptions used in the valuation of assets, technical provisions and other liabilities on the Solvency II balance sheet. Details of the Solvency II valuation basis can be found in the notes in sections D.1, D.2 and D.3. Any alternative methods for valuation are found in D.4.

CWIL prepares its financial statements under UK GAAP. For the majority of the Company's assets and liabilities other than technical provisions, their financial statements valuations are consistent with the Solvency II basis of valuation.

### D.1 Assets

Assets are recognised in line with the requirements of Solvency II regulations, the basis of which is the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.

In the table below, the Solvency II value of each material class of assets are set out together with the equivalent financial statements valuation:

Solvency II Classification	Solvency II Value 2025 GBP'000	Valuation Differences 2025 GBP'000	Reclassified UK GAAP 2025 GBP'000	Financial Statements Value 2025 GBP'000	Note
Deferred tax assets	12,591	-	-	12,591	1
Equities – unlisted	16,618	-	-	16,618	2
Government bonds	74,313	-	(1,554)	72,759	3
Corporate bonds	91,985	-	(2,014)	89,971	4
Collateralised securities	237	-	-	237	5
Collective investment undertakings	35,518	-	(43)	35,475	6
Derivatives	1,528	-	10	1,538	7
Loans and mortgages	29,075	-	(394)	28,681	8
Deposits other than cash equivalents	29,760	-	1,105	30,865	9
Reinsurance recoverables	179,565	65,254	-	244,819	10
Deposits to cedants	2,376	-	-	2,376	11
Insurance and intermediaries receivables	149	-	-	149	12
Reinsurance receivables	13,401	-	-	13,401	13
Receivables (trade not insurance)	1,911	514	(373)	2,052	14
Cash and cash equivalents	31,412	-	-	31,412	15
Other assets	-	31	3,263	3,294	16
<b>Total assets</b>	<b>520,439</b>	<b>65,799</b>	<b>-</b>	<b>586,238</b>	

Solvency II Classification	Solvency II	Valuation	Reclassified	Financial	Note
	Value	Differences	UK GAAP	Statements	
	2024	2024	2024	Value	
	GBP'000	GBP'000	GBP'000	2024	
	GBP'000	GBP'000	GBP'000	GBP'000	
Deferred tax assets	8,291	-	-	8,291	1
Equities - unlisted	15,010	-	(5)	15,005	2
Government bonds	80,076	-	(315)	79,761	3
Corporate bonds	114,102	-	2,028	116,130	4
Collateralised securities	286	-	(1)	285	5
Collective investment undertakings	45,027	-	(142)	44,885	6
Derivatives	181	-	-	181	7
Loans and mortgages	28,398	(5)	(4,797)	23,596	8
Deposits other than cash equivalents	21,077	-	-	21,077	9
Reinsurance recoverables	216,724	69,718	-	286,442	10
Deposits to cedants	2,304	-	-	2,304	11
Insurance and intermediaries receivables	96	-	-	96	12
Reinsurance receivables	11,059	-	-	11,059	13
Receivables (trade not insurance)	3,609	1,183	-	4,792	14
Cash and cash equivalents	48,668	-	-	48,668	15
Other assets	-	20	3,232	3,252	16
<b>Total assets</b>	<b>594,908</b>	<b>70,916</b>	<b>-</b>	<b>665,824</b>	

### Notes to Asset Valuation Basis

Where financial assets are valued using active markets, an active market means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis.

#### 1. Deferred tax assets

For Solvency II purposes, deferred tax balances are only recognised in relation to all assets and liabilities that are recognised for Solvency II own funds and only where it is probable that future taxable profits will lead to the realisation of the asset. Under UK GAAP and Solvency II, CWIL recognises a deferred tax asset of £12.6m (2024: £8.3m) arising from carried forward tax losses and capital allowances in excess of depreciation.

#### 2. Equities - unlisted

Unlisted equities represent holdings in non-listed legal entities that invest in real estate. As these entities are not listed on a recognised exchange, fair value has been determined by reference to the net asset value of the entities. The net asset values are largely determined using either: acquisition price where there is reasonable proximity between acquisition and reporting date; or by commercial real estate valuations performed by Chartered Surveyors (members of the Royal Institution of Chartered Surveyors). The valuations are prepared by considering the aggregate for the net annual rents receivable and, where relevant, associated costs.

#### 3. Government bonds

Government bonds are valued using prices provided by external pricing vendors where these valuations are mostly based on quoted prices in active markets that are readily and regularly available. Where not readily available, pricing vendors will often determine prices by consolidating prices of recent trades for identical or similar securities obtained from a panel of market makers into a composite price. The pricing service may adjust for the elapsed time from a trade date to the valuation date to take into account available market information. Lacking recently reported trades, pricing

vendors will use modelling techniques to determine a security price. The valuation basis for Solvency II is consistent with the CWIL financial statements basis.

The Solvency II valuation includes accrued interest of £678k (2024: £703k). In the CWIL financial statements, accrued interest is included within "Other Debtors".

As at 31 December 2025, £229k (2024: £388k) of agency bonds are reported as Government Bonds in the CWIL financial statements and reclassified to Corporate Bonds for Solvency II reporting purposes.

As at 31 December 2025, £1,105k (2024: £388k) of US treasury bonds are reported as Deposits other than cash equivalents in the CWIL financial statements and reclassified to Government Bonds for Solvency II reporting purposes.

#### 4. Corporate bonds

Corporate bonds are valued using prices provided by external pricing vendors where these valuations are mostly based on quoted prices in active markets that are readily and regularly available. Where not readily available, pricing vendors will often determine prices by consolidating prices of recent trades for identical or similar securities obtained from a panel of market makers into a composite price. The pricing service may adjust for the elapsed time from a trade date to the valuation date to take into account available market information. The valuation basis for Solvency II is consistent with the CWIL financial statements basis.

The Solvency II valuation includes accrued interest of £1,785k (2024: £2,053k). In the CWIL financial statements, accrued interest is included within "Other Debtors".

As at 31 December 2025, £229k (2024: £388k) of agency bonds are reported as Government Bonds in the CWIL financial statements and reclassified to Corporate Bonds for Solvency II reporting purposes.

#### 5. Collateralised securities

Collateralised securities represent residential and commercial backed mortgages and asset backed securities. Their fair values are determined based on either quoted prices in active markets for similar assets or liabilities, or quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly. The valuation basis for Solvency II is consistent with the Company financial statements basis.

The Solvency II valuation includes accrued interest of £nil (2024: £1k). In the CWIL financial statements, accrued interest is included within "Other Debtors".

#### 6. Collective investment undertakings

Collective investments undertakings represent holdings in non-listed third-party investment vehicles. These are not listed on a recognised exchange hence fair value is determined via direct or indirect observable data which is generally recent transactions in the same or similar instruments. These include holdings in private equity and debt funds where look through information and valuation is sourced by the fund based on direct and indirect observable data. This is considered to represent fair value for Solvency II and CWIL financial statements purposes.

The Solvency II valuation includes accrued interest of £43k (2024: £142k). In the CWIL financial statements, accrued interest is included within "Other Debtors".

#### 7. Derivatives

The fair value of derivatives for both Solvency II and financial statements purposes is determined using readily available rates to value the open contracts at the reporting date. The difference in value between the reporting date and contract maturity date is recognised as either an asset or liability.

The Solvency II valuation includes accrued interest expense of £10k related to interest rate swaps (2024: £nil). In the CWIL financial statements, negative accrued interest of £10k is included within "Other Debtors".

8. Loans and mortgages

Commercial Mortgage Loans (“CML”) are any loan secured by a commercial property. The Transaction consists of financing from a lender to a borrower secured by a mortgage (or deed of trust) where the borrower pledges the property as collateral. The mortgage may be taken by the lender and sold at foreclosure to satisfy repayment of the debt in the event of default (nonpayment) by the borrower. Valuations for CML are primarily determined by specialist third party independent valuation firms.

As at 31 December 2025, £nil (2024: £4,469k) of Private credit are reported as corporate bonds in the CWIL financial statements and reclassified to Loans and mortgages for Solvency II reporting purposes.

The Solvency II valuation includes accrued interest of £394k (2024: £333k). In the CWIL financial statements, accrued interest is included within “Other Debtors”.

9. Deposits other than cash equivalents

Deposits other than cash equivalents are deposits with credit institutions which are not readily convertible to cash, i.e., are not accessible in under 24 hours. For both Solvency II and Company financial statements purposes, fair value is the value of the deposit holding.

As at 31 December 2025, £1,105k (2024: £nil) of US treasury bonds are reported as Deposits other than cash equivalents in the CWIL financial statements and reclassified to Government bonds for Solvency II reporting purposes.

10. Reinsurance recoverables

For Solvency II purposes, the fair value of reinsurers’ share of technical provisions is determined after applying discounting, whereas in the CWIL financial statements the gross technical provisions and related reinsurers’ share of technical provisions are undiscounted. Discounting for fair value purposes uses the relevant risk-free yield curves for each currency. For a fuller explanation of the valuation adjustment of £65,254k (2024: £69,718k), refer Section D.2 Technical Provisions.

11. Deposits to cedants

Deposits to cedants are a requirement of certain reinsurance contracts. These amounts are provided as cash and considered to represent fair value. Determination of fair value for deposits with cedants for Solvency II and CWIL financial statements is after consideration of impairment of any amounts receivable. The valuation basis for Solvency II is consistent with the CWIL financial statements basis.

12. Insurance and intermediaries receivables

Insurance and intermediaries receivables of £149k (2024: £96k) are measured at amortised cost for Company financial statements purposes. For Solvency II purposes, given that the level of discount or premium held against the principal receivable is immaterial, amortised cost is considered to materially reflect fair value.

13. Reinsurance receivables

The valuation basis for reinsurance receivables within the CWIL financial Statements and Solvency II balance sheet is undiscounted. Determination of fair value for Reinsurance Receivables for Solvency II and financial statements is after consideration of impairment of any amounts receivable.

14. Receivables – trade not insurance

For Solvency II purposes, the fair value of trade receivables are the amounts due after consideration of any impairment. The valuation basis for Solvency II is consistent with the CWIL financial statements basis.

Trade receivables, comprise an inter-company debt representing future administration fees recoverable from CatGen. These amounts are in addition to the terms of the 80% reinsurance protection afforded under the CWIL quota share arrangement. This amount is due over a period that matches the run-off of technical provisions. For Solvency II purposes, the fair value of the receivable has been discounted at the risk-free rate, resulting in a valuation adjustment of £514k (2024: £1,183k) compared to the CWIL financial statements valuation.

As at 31 December 2025, £373k (2024: £nil) of pending investment sales are reported as Other Assets in the CWIL financial statements and reclassified to receivables for Solvency II reporting purposes.

15. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits and are readily accessible. There are no restrictions on accessing cash or cash equivalents, hence fair value under Solvency II is the value of the cash holding.

16. Other assets

Prepayments of £31k (2024: £20k) are deemed to have nil fair value for Solvency II purposes.

Accrued interest of £2,890k (2023: £2,518k) has been reclassified to the respective investment classes on the Solvency II balance sheet (government bonds, corporate bonds, collective investment undertakings and deposits other than cash equivalents).

As at 31 December 2025, £373k (2024: £nil) of pending investment sales are reported as Other Assets in the CWIL financial statements and reclassified to receivables for Solvency II reporting purposes.

## D.2 Technical provisions

Technical provisions comprise the best estimate of liabilities and risk margin according to Articles 75 to 86 of the Solvency II regulations.

Best estimate liabilities (“BEL”) refer to the sum of claims provision and premium provision:

- The claims provision is the discounted best estimate of future cashflows relating to events prior to the valuation date, including claims which have not yet been reported. The cash flows include net claims, future expenses incurred to settle these claims and future premiums receivable in relation to the past exposure. The corresponding reinsurers’ share of gross claims technical provisions, disclosed as “reinsurance recoverables” in Section D.1, is valued using the same techniques as the gross claims technical provisions.
- The premium provision is the discounted best estimate of future cashflows relating to claim events that have not yet occurred but that are covered by contracts in existence at the valuation date. The cash flows include net claims, future expenses incurred to settle these claims and future premiums receivable in relation to future claims events. The run-off nature of the Company means that there are no future exposures at the valuation date and therefore no premium provision.

The risk margin is an estimate of the amount that a third party taking on the insurance obligations of a company would require over and above BEL. The risk margin is calculated using a cost of capital approach. For year end 2025 and 2024, the cost of capital rate is 4.0%, following the implementation of The Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023 published by the HM Treasury.

The following table quantifies the total gross technical provisions on a Solvency II basis at 31 December 2024. The lines of business can represent direct, proportional reinsurance or non-proportional reinsurance liabilities.

	<b>Gross Best Estimate 2025 GBP'000</b>	<b>Risk Margin 2025 GBP'000</b>	<b>Solvency II Provisions 2025 GBP'000</b>	<b>Financial Statement Value 2025 GBP'000</b>
<b>By material line of business:</b>				
Direct Insurance				
Marine, aviation and transport	3,089	139	3,228	4,864
Fire and other damage to property	4,693	212	4,905	11,290
Casualty	229,293	10,336	239,628	291,361
Proportional and Non-proportional Reinsurance				
Casualty	68,836	3,102	71,938	91,352
Marine, aviation and transport	627	28	655	2,533
Property	5,796	261	6,057	3,022
Annuities stemming from non-life insurance contracts	7,115	321	7,436	7,436
<b>Total</b>	<b>319,449</b>	<b>14,397</b>	<b>333,847</b>	<b>411,858</b>
	<b>2024 GBP'000</b>	<b>2024 GBP'000</b>	<b>2024 GBP'000</b>	<b>2024 GBP'000</b>
<b>By material line of business:</b>				
Direct Insurance				
Marine, aviation and transport	3,331	141	3,472	4,761
Fire and other damage to property	7,882	334	8,216	15,723
Casualty	261,011	11,073	272,084	319,184
Proportional and Non-proportional Reinsurance				
Casualty	80,048	3,395	83,443	111,234
Marine, aviation and transport	804	34	838	2,723
Property	8,187	347	8,534	5,038
Annuities stemming from non-life insurance contracts	6,818	289	7,107	7,107
<b>Total</b>	<b>368,081</b>	<b>15,613</b>	<b>383,694</b>	<b>465,770</b>

The Company has adopted a deterministic approach to estimating the BEL by making the following adjustments to the UK GAAP reserves in its financial statements:

<b>Increase /(decrease)</b>	<b>2025 GBP'000</b>	<b>2024 GBP'000</b>
Event Not In Data (ENID) included in Solvency II TPs	12,117	13,844
Expense Provision increase included in Solvency II TPs	15,643	15,799
Discounting at the Risk Free Rate *	(120,168)	(127,332)
Risk Margin	14,397	15,613
<b>Total Solvency II Liability Adjustments</b>	<b>(78,011)</b>	<b>(82,076)</b>

\* Risk-free rates at 31 December 2025 included the Volatility Adjustment (nil at 31 December 2024)

The total of the Solvency II liability adjustments above result in the gross BEL on the Solvency II balance sheet being £78,011k lower (2024: £82,076k lower) than the gross technical provisions of £411,858k (2024: £465,770) in the CWIL financial statements.

The main risks and uncertainties associated with the technical provisions relate to the following:

- Claims provisions: there is an inherent uncertainty in estimating claims provisions for the eventual outcome of outstanding notified claims as well as estimating the value of claims yet to be reported;
- Events Not In Data (“ENID”): this is an adjustment to technical provisions which is designed to capture potential future claims that do not exist in the historical data used for GAAP reserves calculation. These claims are typically low frequency and high severity impact;

- Expense provisions: the estimation of the future costs of claims management involves uncertainty over factors such as number of claims and staff costs. The Solvency II expense provision has been determined with reference to an analysis of the latest business plan, and an underlying assumption that in the event of run-off, costs can be apportioned across the rest of the Catalina Group, with only essential activities maintained to support the CWIL liabilities; and
- Risk free rates: these rates are prescribed and provided by the Bank of England (“BoE”).

CWIL’s business model is to actively manage claims, including the closure of remaining claims portfolios through commutations. This results in a tendency for actual technical provisions to reduce more quickly than the BEL estimates. The investment portfolio will continue to be managed in a way that supports this approach.

### **Statement on the use of the volatility adjustment**

The volatility adjustment is a mechanism within the Solvency II framework designed to prevent pro-cyclical investment behaviours by adjusting the basic risk-free rates to mitigate the impact of the volatility of asset spreads on the liabilities valuation.

CWIL received approval from the PRA to apply the volatility adjustment, as defined in the PRA rulebook, with effect from 1 August 2025 meaning the technical provisions are discounted using BoE risk-free rates with the volatility adjustment applied. The risk margin calculation does not use the volatility adjustment.

### **D.3 Other liabilities**

In the table below, the Solvency II value of each material class of liabilities other than technical provisions are set out together with the equivalent financial statements valuation:

<b>Solvency II Classification</b>	<b>Solvency II Value 2025 GBP'000</b>	<b>Valuation Differences 2025 GBP'000</b>	<b>Reclassification Differences 2025 GBP'000</b>	<b>Financial Statements Value 2025 GBP'000</b>	<b>Note</b>
Deposits from reinsurers	32,166	-	-	32,166	1
Derivative liabilities	21	-	-	21	2
Reinsurance payables	6,789	-	-	6,789	3
Payables (trade, not insurance)	4,610	-	-	4,610	3
	<b>43,586</b>	<b>-</b>	<b>-</b>	<b>43,586</b>	

<b>Solvency II Classification</b>	<b>Solvency II Value 2024 GBP'000</b>	<b>Valuation Differences 2024 GBP'000</b>	<b>Reclassification Differences 2024 GBP'000</b>	<b>Financial Statements Value 2024 GBP'000</b>	<b>Note</b>
Deposits from reinsurers	41,009	-	-	41,009	1
Derivative liabilities	100	-	-	100	2
Reinsurance payables	7,655	-	-	7,655	3
Payables (trade, not insurance)	11,191	-	-	11,191	3
<b>Total Other Liabilities</b>	<b>59,955</b>	<b>-</b>	<b>-</b>	<b>59,955</b>	

1. Deposits from Reinsurers

For CWIL financial statements purposes, deposits from reinsurers are measured at amortised cost of £32,166k (2024: £41,009k).

2. Derivatives

Derivative financial assets or liabilities are financial contracts whose fair value is determined on a market basis by reference to underlying interest rate, foreign exchange rate, equity or commodity instrument or indices. Derivative assets and liabilities are presented separately within Total Assets and

Total Liabilities respectively. The valuation basis for Solvency II is consistent with the CWIL financial statements basis.

3. Insurance and Intermediaries Payable, Reinsurance Payables and Payables – Trade not Insurance

The valuation of these payables under Solvency II is consistent with the CWIL financial statements basis.

#### **D.4 Alternative methods for valuation**

Unless otherwise explained in Sections D1-D3, no other alternative methods for valuation are used.

#### **D.5 Any other information**

Not applicable.

## E. Capital Management

The Company manages its capital to ensure a prudent level of own funds is available to meet the solvency requirements and enable future policyholder obligations to be met. A Capital Management Plan is prepared for CWIL annually, which forms part of the ORSA, and which demonstrates capital adequacy is expected over a three-year planning horizon.

There have been no material changes to the objectives, policies or processes for managing own funds over the period. The Company was in compliance with the solvency capital requirements of the PRA throughout the year.

### E.1 Own funds

Own funds represent the Company's ordinary share capital and reconciliation reserve. The Company's ordinary share capital is categorised as Tier 1 own funds, as it comprises a single class of shares which are unrestricted. Dividends can be cancelled after they have been declared, and there are no restrictions on the repayment of capital, other than being subject to ongoing regulatory approval.

As at 31 December 2025, all of the Company's own funds are categorised as Tier 1, with the exception of its deferred tax assets which are categorised as Tier 3 own funds.

	Tier 1 2025 GBP'000	Tier 2 2025 GBP'000	Tier 3 2025 GBP'000	Total 2025 GBP'000
<b>Basic own funds</b>				
Ordinary share capital	158,000			158,000
Reconciliation reserve	(27,585)			(27,585)
Net deferred tax assets			9,907	9,907
<b>Total basic own funds</b>	<b>130,405</b>	<b>-</b>	<b>9,909</b>	<b>140,322</b>
	2024 GBP'000	2024 GBP'000	2024 GBP'000	2024 GBP'000
<b>Basic own funds</b>				
Ordinary Share Capital	158,000	-	-	158,000
Reconciliation Reserve	(15,032)	-	-	(15,032)
Net deferred tax assets	-	-	8,291	8,291
<b>Total basic own funds</b>	<b>142,968</b>	<b>-</b>	<b>8,291</b>	<b>151,259</b>

The following shows the movement in the year in Own Funds:

<b>Reconciliation between Opening and Closing own funds</b>	<b>2025 GBP'000</b>	<b>2024 GBP'000</b>
<b>Opening own funds</b>	<b>151,259</b>	<b>183,126</b>
Movement in Tier 3 eligibility restriction	2,684	-
Movement in financial statements - retained deficit	(9,305)	(39,323)
Movement in Solvency II asset valuation differences	5,117	(6,441)
Movement in Solvency II liability valuation differences	(4,065)	13,897
<b>Closing Own Funds</b>	<b>140,322</b>	<b>151,259</b>

Within own funds, the reconciliation reserve represents the retained earnings and capital reserves as reported in the Company's financial statements, less valuation differences between the Company's financial statements and its Solvency II balance sheet. It also includes any eligibility restrictions on capital which for CWIL reflects a restriction in Tier 3 capital to no more than 15% of SCR; £2,684k restricted in 2025 (2024: £nil).

The components of the reconciliation reserve as at 31 December are:

Reconciliation Reserve Components	2025 GBP'000	2024 GBP'000	Movement GBP'000
<b>Capital reserve per financial statements</b>	<b>93,160</b>	<b>93,160</b>	<b>-</b>
Retained deficit per financial statements	(120,366)	(111,061)	(9,305)
Solvency II asset valuation differences – refer Section D.1	(65,799)	(70,916)	5,117
Solvency II liability valuation differences – refer Section D.2	78,011	82,076	(4,065)
Net deferred tax assets classified as Tier 3 own funds	(12,591)	(8,291)	(4,300)
<b>Total Reconciliation Reserve</b>	<b>(27,585)</b>	<b>(15,032)</b>	<b>(12,553)</b>

The eligibility of own funds to cover the Solvency Capital Requirement (“SCR”) and Minimum Capital Requirement (“MCR”) depends on the tiering levels attaching to the own fund item.

As at 31 December 2025, all the relevant eligibility criteria for Tier 1 own funds were met in respect of the SCR and MCR and Tier 3 own funds included a £2,684k ineligibility restriction resulting due to the following:

- Eligible tier 1 items shall be at least 50% of the SCR;
- Eligible tier 3 items shall be no more than 15% of the SCR; and
- Eligible tier 1 items shall be at least 80% of the MCR.

Tier 3 own funds are not eligible to cover the MCR.

	Tier 1 2025 GBP'000	Tier 2 2025 GBP'000	Tier 3 2025 GBP'000	Total 2025 GBP'000
<b>Available and eligible own funds</b>				
Total available own funds to meet the SCR	130,415		9,907	140,322
Total available own funds to meet the MCR	130,415			130,415
Total eligible own funds to meet the SCR	130,415		9,907	140,322
Total eligible own funds to meet the MCR	130,415			130,415
<b>SCR</b>				<b>66,044</b>
<b>MCR</b>				<b>16,511</b>
<b>Ratio of Eligible own funds to SCR</b>				<b>212%</b>
<b>Ratio of Eligible own funds to MCR</b>				<b>790%</b>

	Tier 1 2024 GBP'000	Tier 2 2024 GBP'000	Tier 3 2024 GBP'000	Total 2024 GBP'000
<b>Available and eligible own funds</b>				
Total available own funds to meet the SCR	142,968		8,291	151,259
Total available own funds to meet the MCR	142,968			142,969
Total eligible own funds to meet the SCR	142,968		8,291	151,259
Total eligible own funds to meet the MCR	142,968			142,968
<b>SCR</b>				<b>74,242</b>
<b>MCR</b>				<b>18,561</b>
<b>Ratio of Eligible own funds to SCR</b>				<b>204%</b>
<b>Ratio of Eligible own funds to MCR</b>				<b>770%</b>

## E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Company currently uses the Standard Formula to calculate its SCR. The table below shows the breakdown of the Company's SCR by risk module:

	2025 GBP'000	2024 GBP'000
<b>By risk module</b>		
Market risk	23,962	29,703
Default risk	5,453	5,635
Life risk	101	79
Non-life risk	42,406	45,632
<b>Basic SCR before diversification</b>	<b>71,922</b>	<b>81,049</b>
Diversification benefits	(15,280)	(17,676)
<b>Basic SCR</b>	<b>56,642</b>	<b>63,373</b>
Operational risk	9,402	10,869
<b>SCR</b>	<b>66,044</b>	<b>74,242</b>

The individual SCR risk modules are discussed in more detail in Section C.

The main drivers of the SCR are the market risk and non-life reserve risk. As such, the main diversification in calculating the SCR also arises between market risk and reserve risk.

CWIL's Solvency Coverage Ratio calculated without applying the volatility adjusted amounted to 207% at 31 December 2025 compared to 212% with the volatility adjustment. CWIL's basic own funds calculated without applying the volatility adjustment amounted to £138m at 31 December 2025 compared to £140m with the volatility adjustment (a £2m difference).

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

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

## E.4 Internal model

The Company calculates its SCR using the standard formula. No internal or partial internal model is used in the calculation of its SCR.

## E.5 Non-compliance with the MCR and significant non-compliance with the SCR

There has not been any non-compliance with the SCR or the MCR over the year nor is there expected to be any non-compliance with the SCR and MCR in the business planning period.

## E.6 Any other information

None.

## Appendix 1: Reporting templates

The quantitative reporting templates which form part of the Annual Regulatory Templates listed below are required to be published alongside the SFCR.

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IR.02.01	Balance Sheet Information
IR.05.02	Information on Premiums, Claims and Expenses - by Country, applying the valuation and recognition principles used in the company's financial statements.
IR.12.01	Life and Health SLT Technical Provisions
IR.17.01	Information on non-life technical provisions by LOB
IR.19.01	Information on non-life insurance claims by LOB in the format of development triangles.
IR.23.01	Information on Own funds
IR.25.04	Information on the SCR using the Standard Formula
IR.28.01	Minimum Capital Requirement for the Entity

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IR.02.01.01 - Balance sheet

		Solvency II value	Statutory accounts value
		<b>C0010</b>	<b>C0020</b>
<b>Assets</b>			
Goodwill	<b>R0010</b>		
Deferred acquisition costs	<b>R0020</b>		
Intangible assets	<b>R0030</b>		
Deferred tax assets	<b>R0040</b>	12,590,810	12,590,810
Pension benefit surplus	<b>R0050</b>		
Property, plant & equipment held for own use	<b>R0060</b>	0	
Investments (other than assets held for index-linked and unit-linked contracts)	<b>R0070</b>	249,959,168	226,319,483
Property (other than for own use)	<b>R0080</b>	0	
Holdings in related undertakings, including participations	<b>R0090</b>	0	
Equities	<b>R0100</b>	16,617,515	16,617,515
Equities - listed	<b>R0110</b>	0	0
Equities - unlisted	<b>R0120</b>	16,617,515	16,617,515
Bonds	<b>R0130</b>	166,535,225	164,077,183
Government Bonds	<b>R0140</b>	74,312,889	73,635,769
Corporate Bonds	<b>R0150</b>	91,985,173	90,204,893
Structured notes	<b>R0160</b>	0	0
Collateralised securities	<b>R0170</b>	237,163	236,521
Collective Investments Undertakings	<b>R0180</b>	35,518,362	35,473,444
Derivatives	<b>R0190</b>	1,528,355	1,537,048
Deposits other than cash equivalents	<b>R0200</b>	29,759,712	8,614,293
Other investments	<b>R0210</b>	0	
Assets held for index-linked and unit-linked contracts	<b>R0220</b>	0	
Amount to be included in TR0220 that is not derived from IR.06.02	<b>TR0220</b>		
Loans and mortgages	<b>R0230</b>	29,075,184	28,678,795
Loans on policies	<b>R0240</b>	0	
Loans and mortgages to individuals	<b>R0250</b>		
Other loans and mortgages	<b>R0260</b>	29,075,184	28,678,795
Reinsurance recoverables from:	<b>R0270</b>	179,564,311	244,818,788
Non-life and health similar to non-life	<b>R0280</b>	174,030,428	244,818,788
Life and health similar to life, excluding index-linked and unit-linked	<b>R0315</b>	5,533,883	
Life index-linked and unit-linked	<b>R0340</b>	0	
Deposits to cedants	<b>R0350</b>	2,375,835	2,375,835
Insurance and intermediaries receivables	<b>R0360</b>	149,449	149,449
Reinsurance receivables	<b>R0370</b>	13,400,642	13,400,642
Receivables (trade, not insurance)	<b>R0380</b>	1,911,269	2,059,975
Own shares (held directly)	<b>R0390</b>		
Amounts due in respect of own fund items or initial fund called up but not yet paid	<b>R0400</b>	0	
Cash and cash equivalents	<b>R0410</b>	31,412,249	52,557,668
Any other assets, not elsewhere shown	<b>R0420</b>		3,287,162
<b>Total assets</b>	<b>R0500</b>	520,438,917	586,238,606
<b>Liabilities</b>			
Technical provisions - total	<b>R0505</b>	333,846,668	411,857,867
Technical provisions - non-life	<b>R0510</b>	326,402,505	411,857,867
Technical provisions - life	<b>R0515</b>	7,444,163	
Best estimate - total	<b>R0542</b>	319,449,894	
Best estimate - non-life	<b>R0544</b>	312,334,789	
Best estimate - life	<b>R0546</b>	7,115,105	
Risk margin - total	<b>R0552</b>	14,396,774	
Risk margin - non-life	<b>R0554</b>	14,067,716	
Risk margin - life	<b>R0556</b>	329,058	
Transitional (TMTP) - life	<b>R0565</b>	0	
Other technical provisions	<b>R0730</b>		
Contingent liabilities	<b>R0740</b>		
Provisions other than technical provisions	<b>R0750</b>		
Pension benefit obligations	<b>R0760</b>		
Deposits from reinsurers	<b>R0770</b>	32,165,952	32,165,952
Deferred tax liabilities	<b>R0780</b>		
Derivatives	<b>R0790</b>	21,245	21,245
Debts owed to credit institutions	<b>R0800</b>		
Financial liabilities other than debts owed to credit institutions	<b>R0810</b>		
Insurance & intermediaries payables	<b>R0820</b>		
Reinsurance payables	<b>R0830</b>	6,788,662	6,788,662
Payables (trade, not insurance)	<b>R0840</b>	4,610,886	4,610,886
Subordinated liabilities	<b>R0850</b>	0	0
Subordinated liabilities not in Basic Own Funds	<b>R0860</b>		
Subordinated liabilities in Basic Own Funds	<b>R0870</b>	0	
Any other liabilities, not elsewhere shown	<b>R0880</b>		
<b>Total liabilities</b>	<b>R0900</b>	377,433,414	455,444,612
<b>Excess of assets over liabilities</b>	<b>R1000</b>	143,005,504	130,793,994

IR.05.02.01 - Premiums, claims and expenses by country

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written	Gross - Direct Business	R0110	0					0
	Gross - Proportional reinsurance	R0120	0					0
	Gross - Non-proportional reinsurance	R0130	5,803					5,803
	Reinsurers' share	R0140	4,641					4,641
	Net	R0200	1,163	0	0	0	0	1,163
Premiums earned	Gross - Direct Business	R0210	5,803					5,803
	Gross - Proportional reinsurance	R0220						0
	Gross - Non-proportional reinsurance	R0230	5,803					5,803
	Reinsurers' share	R0240	4,641					4,641
	Net	R0300	6,966	0	0	0	0	6,966
Claims incurred	Gross - Direct Business	R0310	13,093,935					13,093,935
	Gross - Proportional reinsurance	R0320	0					0
	Gross - Non-proportional reinsurance	R0330	-5,814,911					-5,814,911
	Reinsurers' share	R0340	-2,903,810					-2,903,810
	Net	R0400	10,182,834	0	0	0	0	10,182,834
Net expenses incurred		R0550	13,976,060					13,976,060

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

		Non-life annuities	Total life and health
		<b>C0040</b>	<b>C0070</b>
<b>Best Estimate</b>			
<b>Gross Best Estimate</b>	<b>R0030</b>	7,115,105	7,115,105
Gross Best Estimate (direct business)	<b>R0025</b>	0	0
Gross Best Estimate (reinsurance accepted)	<b>R0026</b>	7,115,105	7,115,105
Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses	<b>R0040</b>	5,610,561	5,610,561
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses	<b>R0050</b>	5,610,561	5,610,561
Recoverables from SPV before adjustment for expected losses	<b>R0060</b>	0	0
Recoverables from Finite Re before adjustment for expected losses	<b>R0070</b>	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses	<b>R0080</b>	5,533,883	5,533,883
Best estimate minus recoverables from reinsurance/SPV and Finite Re	<b>R0090</b>	1,581,222	1,581,222
<b>Risk Margin</b>	<b>R0100</b>	329,058	329,058
<b>Amount of the transitional on Technical Provisions</b>			
<b>Transitional Measure on Technical Provisions</b>	<b>R0180</b>	0	0
TMTP - risk margin	<b>R0140</b>		0
TMTP - best estimate dynamic component	<b>R0150</b>		0
TMTP - best estimate non-dynamic component	<b>R0160</b>		0
TMTP - amortisation adjustment	<b>R0170</b>		0
<b>Technical provisions - total</b>	<b>R0200</b>	7,444,163	7,444,163
<b>Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total</b>	<b>R0210</b>	1,910,280	1,910,280
<b>Surrender value</b>	<b>R0300</b>		
<b>Nominal value of units</b>	<b>R0302</b>		
<b>Matching value of units</b>	<b>R0304</b>		
<b>Best estimate subject to transitional of the interest rate</b>	<b>R0310</b>		0
Technical provisions without transitional on interest rate	<b>R0320</b>		0
<b>Best estimate subject to volatility adjustment</b>	<b>R0330</b>	7,115,105	7,115,105
Technical provisions without volatility adjustment and without other transitional measures	<b>R0340</b>	7,748,667	7,748,667
<b>Best estimate subject to matching adjustment</b>	<b>R0350</b>		0
Technical provisions without matching adjustment and without all the others	<b>R0360</b>		0

		Direct business and accepted proportional reinsurance					Accepted non-proportional reinsurance			Total Non-Life obligation
		Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0050	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180
<b>Best estimate</b>										
<b>Premium provisions</b>										
Gross - Total	R0060	0	0	0	0	0	0	0	0	0
Gross - direct business	R0070	0	0	0	0	0	0	0	0	0
Gross - accepted proportional reinsurance business	R0080	0	0	0	0	0	0	0	0	0
Gross - accepted non-proportional reinsurance business	R0090	0	0	0	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty	R0100	0	0	0	0	0	0	0	0	0
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0110	0	0	0	0	0	0	0	0	0
Recoverables from SPV before adjustment for expected losses	R0120	0	0	0	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0130	0	0	0	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty	R0140	0	0	0	0	0	0	0	0	0
<b>Net Best Estimate of Premium Provisions</b>	<b>R0150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Claims provisions</b>										
Gross - Total	R0160	2,694,212	3,089,199	4,693,139	226,555,364	43,858	68,836,208	627,243	5,795,566	312,334,789
Gross - direct business	R0170	2,694,212	3,084,032	4,502,021	223,532,417	0	0	0	0	233,812,681
Gross - accepted proportional reinsurance business	R0180	0	5,167	191,117	3,022,948	43,858	0	0	0	3,263,090
Gross - accepted non-proportional reinsurance business	R0190	0	0	0	0	0	68,836,208	627,243	5,795,566	75,259,018
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty	R0200	2,056,399	2,248,269	3,637,200	109,315,443	33,476	51,476,052	634,696	4,628,892	174,030,428
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0210	2,056,399	2,248,269	3,637,200	109,315,443	33,476	51,476,052	634,696	4,628,892	174,030,428
Recoverables from SPV before adjustment for expected losses	R0220	0	0	0	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0230	0	0	0	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty	R0240	2,056,399	2,248,269	3,637,200	109,315,443	33,476	51,476,052	634,696	4,628,892	174,030,428
<b>Net Best Estimate of Claims Provisions</b>	<b>R0250</b>	<b>637,813</b>	<b>840,929</b>	<b>1,055,938</b>	<b>117,239,921</b>	<b>10,382</b>	<b>17,360,156</b>	<b>-7,453</b>	<b>1,166,675</b>	<b>138,304,361</b>
<b>Total Best estimate - gross</b>	<b>R0260</b>	<b>2,694,212</b>	<b>3,089,199</b>	<b>4,693,139</b>	<b>226,555,364</b>	<b>43,858</b>	<b>68,836,208</b>	<b>627,243</b>	<b>5,795,566</b>	<b>312,334,789</b>
<b>Total Best estimate - net</b>	<b>R0270</b>	<b>637,813</b>	<b>840,929</b>	<b>1,055,938</b>	<b>117,239,921</b>	<b>10,382</b>	<b>17,360,156</b>	<b>-7,453</b>	<b>1,166,675</b>	<b>138,304,361</b>
<b>Risk margin</b>	<b>R0280</b>	<b>64,869</b>	<b>85,526</b>	<b>107,394</b>	<b>11,923,848</b>	<b>1,056</b>	<b>1,765,609</b>	<b>758</b>	<b>118,656</b>	<b>14,067,716</b>
<b>Technical provisions - total (best estimate plus risk margin)</b>										
Technical provisions - total	R0320	2,759,081	3,174,725	4,800,532	238,479,212	44,914	70,601,817	628,001	5,914,223	326,402,505
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty def	R0330	2,056,399	2,248,269	3,637,200	109,315,443	33,476	51,476,052	634,696	4,628,892	174,030,428
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	702,682	926,456	1,163,332	129,163,769	11,438	19,125,765	-6,695	1,285,331	152,372,077
<b>Cash-flows of the Best estimate of Premium Provisions (Gross)</b>										
<b>Cash out-flows</b>										
Future benefits and claims and allocated loss adjustment expenses	R0370	0	0	0	0	0	0	0	0	0
Future expenses that are not ALAE and other cash-out flows	R0380	0	0	0	0	0	0	0	0	0
<b>Cash in-flows</b>										
Future premiums	R0390	0	0	0	0	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0400	0	0	0	0	0	0	0	0	0
<b>Cash-flows of the Best estimate of Claims Provisions (Gross)</b>										
<b>Cash out-flows</b>										
Future benefits and claims and allocated loss adjustment expenses	R0410	2,494,608	2,860,332	4,345,442	211,821,635	40,608	63,742,089	580,773	5,366,195	291,251,682
Future expenses that are not ALAE and other cash-out flows	R0420	199,604	228,867	347,697	14,733,730	3,249	5,094,119	46,470	429,372	21,083,107
<b>Cash in-flows</b>										
Future premiums	R0430	0	0	0	0	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0440	0	0	0	0	0	0	0	0	0
<b>Best estimate subject to transitional of the interest rate</b>										
Technical provisions without transitional on interest rate	R0470	0	0	0	0	0	0	0	0	0
<b>Best estimate subject to volatility adjustment</b>	<b>R0480</b>	<b>2,693,806</b>	<b>3,088,564</b>	<b>4,691,170</b>	<b>225,308,503</b>	<b>43,851</b>	<b>64,745,863</b>	<b>627,118</b>	<b>5,794,694</b>	<b>306,993,570</b>
Technical provisions without volatility adjustment and without transitional on interest rate	R0490	2,791,410	3,232,183	4,886,401	241,838,756	45,431	71,800,978	639,710	6,022,033	331,256,901

IR.19.01.01 - Non-life Insurance Claims Information

Line of business	Z0010	Total/NA
Accident year / Underwriting year	Z0020	Underwriting year [UWY]
Currency	Z0030	Total/NA
Currency conversion	Z0040	Not applicable / Expressed in (converted to) reporting currency

Gross Claims Paid (non-cumulative)  
(absolute amount)

Year	Development year																In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +			
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	
Prior	R0100															57,335,404	Prior	C0170	C0180
N-14	R0110	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-14	57,335,404	57,335,404	
N-13	R0120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-13	0	0	
N-12	R0130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-12	0	0	
N-11	R0140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-11	0	0	
N-10	R0150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-10	0	0	
N-9	R0160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-9	0	0	
N-8	R0170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-8	0	0	
N-7	R0180	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-7	0	0	
N-6	R0190	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-6	0	0	
N-5	R0200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-5	0	0	
N-4	R0210	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-4	0	0	
N-3	R0220	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-3	0	0	
N-2	R0230	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-2	0	0	
N-1	R0240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-1	0	0	
N	R0250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	
<b>Total</b>																<b>Total</b>	57,335,404	57,335,404	

Net Claims Paid (non-cumulative)  
(absolute amount)

Year	Development year																In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +			
	C1200	C1210	C1220	C1230	C1240	C1250	C1260	C1270	C1280	C1290	C1300	C1310	C1320	C1330	C1340	C1350	C1360	C1370	
Prior	R0500															20,976,701	Prior	C1360	C1370
N-14	R0510	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-14	20,976,701	20,976,701	
N-13	R0520	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-13	0	0	
N-12	R0530	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-12	0	0	
N-11	R0540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-11	0	0	
N-10	R0550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-10	0	0	
N-9	R0560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-9	0	0	
N-8	R0570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-8	0	0	
N-7	R0580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-7	0	0	
N-6	R0590	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-6	0	0	
N-5	R0600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-5	0	0	
N-4	R0610	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-4	0	0	
N-3	R0620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-3	0	0	
N-2	R0630	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-2	0	0	
N-1	R0640	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N-1	0	0	
N	R0650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	
<b>Total</b>																<b>Total</b>	20,976,701	20,976,701	

Inflation rates (only in the case of using methods that take into account inflation to adjust data)

	N-14	N-13	N-12	N-11	N-10	N-9	N-8	N-7	N-6	N-5	N-4	N-3	N-2	N-1	N	
Historic inflation rate - total	R0700	C1800	C1810	C1820	C1830	C1840	C1850	C1860	C1870	C1880	C1890	C1900	C1910	C1920	C1930	C1940
Historic inflation rate: external inflation	R0710															
Historic inflation rate: endogenous inflation	R0720															
Expected inflation rate - total	R0730	C2000	C2010	C2020	C2030	C2040	C2050	C2060	C2070	C2080	C2090	C2100	C2110	C2120	C2130	C2140
Expected inflation rate: external inflation	R0740	N+1	N+2	N+3	N+4	N+5	N+6	N+7	N+8	N+9	N+10	N+11	N+12	N+13	N+14	N+15
Expected inflation rate: endogenous inflation	R0750															
Description of inflation rate used:	R0760	C2200														

**Gross undiscounted Best Estimate Claims Provisions**  
(absolute amount)

Year	Development year																Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350	C0360
Prior																383,040,747	278,058,332
N-14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Net Undiscounted Best Estimate Claims Provisions**  
(absolute amount)

Year	Development year																Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
	C1400	C1410	C1420	C1430	C1440	C1450	C1460	C1470	C1480	C1490	C1500	C1510	C1520	C1530	C1540	C1550	C1560
Prior																163,607,578	163,607,578
N-14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		<b>C0010</b>	<b>C0020</b>	<b>C0030</b>	<b>C0040</b>	<b>C0050</b>
<b>Basic own funds</b>						
Ordinary share capital (gross of own shares)	<b>R0010</b>	158,000,000	158,000,000		0	
Share premium account related to ordinary share capital	<b>R0030</b>	0	0		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	<b>R0040</b>	0	0		0	
Subordinated mutual member accounts	<b>R0050</b>	0		0	0	0
Surplus funds	<b>R0070</b>	0	0			
Preference shares	<b>R0090</b>	0		0	0	0
Share premium account related to preference shares	<b>R0110</b>	0		0	0	0
Reconciliation reserve	<b>R0130</b>	-27,585,306	-27,585,306			
Subordinated liabilities	<b>R0140</b>	0		0	0	0
An amount equal to the value of net deferred tax assets	<b>R0160</b>	12,590,810				12,590,810
Other own fund items approved by the supervisory authority as basic own funds not specified above	<b>R0180</b>	0	0	0	0	0
<b>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</b>						
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	<b>R0220</b>					
<b>Total basic own funds</b>	<b>R0290</b>	143,005,504	130,414,694	0	0	12,590,810
<b>Ancillary own funds</b>						
Unpaid and uncalled ordinary share capital callable on demand	<b>R0300</b>	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	<b>R0310</b>	0				
Unpaid and uncalled preference shares callable on demand	<b>R0320</b>	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	<b>R0330</b>	0				
Letters of credit and guarantees	<b>R0340</b>	0				
Letters of credit and guarantees other	<b>R0350</b>	0				
Supplementary members calls	<b>R0360</b>	0				
Supplementary members calls - other	<b>R0370</b>	0				
Other ancillary own funds	<b>R0390</b>	0				
<b>Total ancillary own funds</b>	<b>R0400</b>	0			0	0
<b>Available and eligible own funds</b>						
Total available own funds to meet the SCR	<b>R0500</b>	143,005,504	130,414,694	0	0	12,590,810
Total available own funds to meet the MCR	<b>R0510</b>	130,414,694	130,414,694	0	0	
Total eligible own funds to meet the SCR	<b>R0540</b>	140,321,237	130,414,694	0	0	9,906,543
Total eligible own funds to meet the MCR	<b>R0550</b>	130,414,694	130,414,694	0	0	
<b>SCR</b>	<b>R0580</b>	66,043,617				
<b>MCR</b>	<b>R0600</b>	16,510,904				
<b>Ratio of Eligible own funds to SCR</b>	<b>R0620</b>	2.1247				
<b>Ratio of Eligible own funds to MCR</b>	<b>R0640</b>	7.8987				

		c
		<b>C0060</b>
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	<b>R0700</b>	143,005,504
Own shares (held directly and indirectly)	<b>R0710</b>	
Foreseeable dividends, distributions and charges	<b>R0720</b>	
Deductions for participations in financial and credit institutions	<b>R0725</b>	
Other basic own fund items	<b>R0730</b>	170,590,810
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	<b>R0740</b>	
<b>Reconciliation reserve</b>	<b>R0760</b>	-27,585,306

IR.25.04.01 - Solvency Capital Requirement

Rows	c	
		<b>C0010</b>
Net of loss-absorbing capacity of technical provisions		
Market risk	<b>R0140</b>	23,962,037
Interest rate risk	<b>R0070</b>	15,260,341
Equity risk	<b>R0080</b>	7,596,230
Property risk	<b>R0090</b>	3,901,883
Spread risk	<b>R0100</b>	7,754,063
Concentration risk	<b>R0110</b>	4,849,368
Currency risk	<b>R0120</b>	1,175,404
Other market risk	<b>R0125</b>	0
Diversification within market risk	<b>R0130</b>	-16,575,251
Counterparty default risk	<b>R0180</b>	5,452,865
Type 1 exposures	<b>R0150</b>	5,358,889
Type 2 exposures	<b>R0160</b>	124,472
Other counterparty risk	<b>R0165</b>	0
Diversification within counterparty default risk	<b>R0170</b>	-30,496
Life underwriting risk	<b>R0270</b>	101,022
Total health underwriting risk	<b>R0320</b>	0
Non-life underwriting risk	<b>R0370</b>	42,405,569
Non-life premium and reserve risk (ex catastrophe risk)	<b>R0330</b>	42,405,569
Non-life catastrophe risk	<b>R0340</b>	0
Lapse risk	<b>R0350</b>	0
Other non-life underwriting risk	<b>R0355</b>	0
Diversification within non-life underwriting risk	<b>R0360</b>	0
Intangible asset risk	<b>R0400</b>	0
Operational and other risks	<b>R0430</b>	9,402,062
Operational risk	<b>R0422</b>	9,402,062
Other risks	<b>R0424</b>	0
Total before all diversification	<b>R0432</b>	97,953,695
Total before diversification between risk modules	<b>R0434</b>	81,323,554
Diversification between risk modules	<b>R0436</b>	-15,279,937
Total after diversification	<b>R0438</b>	66,043,617
Loss-absorbing capacity of technical provisions	<b>R0440</b>	
Loss-absorbing capacity of deferred taxes	<b>R0450</b>	0
Other adjustments	<b>R0455</b>	0
Solvency capital requirement including undisclosed capital add-on	<b>R0460</b>	66,043,617
Disclosed capital add-on - excluding residual model limitation	<b>R0472</b>	
Disclosed capital add-on - residual model limitation	<b>R0474</b>	
<b>Solvency capital requirement including capital add-on</b>	<b>R0480</b>	66,043,617
Undisclosed capital add-on - residual model limitation	<b>R0482</b>	
Capital add-on	<b>R0484</b>	0
Biting interest rate scenario	<b>R0490</b>	Increase
Biting life lapse scenario	<b>R0495</b>	

IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life activity

		MCR components
		<b>C0010</b>
MCRNL Result	<b>R0010</b>	15,763,813

Background information			
		Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		<b>C0020</b>	<b>C0030</b>
Motor vehicle liability insurance and proportional reinsurance	<b>R0050</b>	637,813	0
Marine, aviation and transport insurance and proportional reinsurance	<b>R0070</b>	840,929	0
Fire and other damage to property insurance and proportional reinsurance	<b>R0080</b>	1,055,938	0
General liability insurance and proportional reinsurance	<b>R0090</b>	117,239,921	0
Credit and suretyship insurance and proportional reinsurance	<b>R0100</b>	10,382	0
Non-proportional casualty reinsurance	<b>R0150</b>	17,360,156	278
Non-proportional marine, aviation and transport reinsurance	<b>R0160</b>	0	0
Non-proportional property reinsurance	<b>R0170</b>	1,166,675	885

		c
		<b>C0040</b>
MCRRL Result	<b>R0200</b>	33,206

Net (of reinsurance/S PV) best estimate and TP calculated as a whole			
		Net (of reinsurance/SPV) total capital at risk	
		<b>C0050</b>	<b>C0060</b>
Other life (re)insurance and health (re)insurance obligations	<b>R0240</b>	1,581,222	
Total capital at risk for all life (re)insurance obligations	<b>R0250</b>		

		c
		<b>C0070</b>
Linear MCR	<b>R0300</b>	15,797,019
SCR	<b>R0310</b>	66,043,617
MCR cap	<b>R0320</b>	29,719,628
MCR floor	<b>R0330</b>	16,510,904
Combined MCR	<b>R0340</b>	16,510,904
Absolute floor of the MCR	<b>R0350</b>	2,179,368
Minimum Capital Requirement	<b>R0400</b>	16,510,904

Reinsurance recoverables <b>not admissible</b> for MCR purposes	Ceded premiums <b>not admissible</b> for MCR purposes and adjustments between IR.05.04 NWP and IR.28.01 NWP
TC0020	TC0030

SIIS note: these helper datapoints would be used to enter those recoverables/ceded premiums that are reported in IR.17.01 and IR.05.04 respectively but are not admissible for MCR purposes as per Delegated Acts Article 250 para (2) and (3)

Reinsurance recoverables <b>not admissible</b> for MCR purposes and other adjustments between IR.12.01 and IR.28.01
TC0050

SIIS note: these helper datapoints would be used to enter those recoverables that are reported in IR.12.01 but are not admissible for MCR purposes as per Delegated Acts Article 251 para (2)