

CNA / HARDY

CNA Europe Holdings Limited

Group Solvency and Financial Condition Report
For the year ended 31 December 2025

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Summary

Introduction

The Solvency II regulatory framework, which governed industry regulation and prudential capital requirements within the European Union (“EU”), became effective on 1 January 2016. Following the withdrawal by the United Kingdom (“UK”) from the EU, the Prudential Regulation Authority (“PRA”) has introduced the Solvency UK regime through the PRA Rulebook for applicable Solvency II Firms (“PRA Rulebook”), effective from 31 December 2024. Throughout this document, we continue to refer to Solvency II rather than Solvency UK in line with the current PRA guidance.

CNA Europe Holdings Limited (“the Company” or “CNAEH”) together with its wholly owned subsidiary CNA Insurance Company Limited (“CICL”) (collectively “the Group”) have prepared a Solvency and Financial Condition Report (“SFCR”) for the year ended 31 December 2025 in accordance with the waiver granted by the PRA in June 2023. This waiver, which is valid until June 2028, allows the Group to produce one SFCR covering CNAEH and CICL. The waiver was obtained as the nature of the Group’s governance structure means there is significant overlap in the disclosures for the Group, the Company and its subsidiary.

The Group’s regulated entities are CICL in the UK and CNA Insurance Company (Europe) S.A. (“CICE”) in Luxembourg. Financial information in this document refers only to the Group and CICL. CICE produces a standalone solo SFCR, however the Group’s figures will be a consolidation of CICL and CICE. In meeting the requirements for this SFCR, information is reported separately for the Group and CICL except where that information is equivalent in both nature and scope. Where information in this document is equally relevant to the Group and CICL, that information has not been duplicated. Where information is different between the entities, this has been highlighted. The text of the SFCR is presented in Pounds Sterling (£) and rounded to the nearest million unless otherwise specified, whereas the tables and Insurance Reporting Templates (“IR” or “IRs”) are presented in rounded thousands, therefore rounding differences can arise, especially in respect of the IRs in The Appendix.

Key elements of this report and changes to it over the reporting period, by section, are as follows:

Business and performance

The Group provides commercial insurance and offers a range of specialist products to targeted industry segments. The Group is headquartered in London underwriting to the UK and internationally from CICL, with the exception of the European Economic Area (“EEA”). The Group underwrites business throughout the EEA using a network of branches of CICE. Direct and facultative commercial insurance products are underwritten, which are predominantly placed through brokers.

The Group is wholly owned by Continental Casualty Company (“CCC”) and The Continental Insurance Company (“CIC”). CCC and CIC are a part of CNA Financial Corporation (“CNAF”) which, in turn, is controlled by Loews Corporation. References to “CNA” in this report are to CNAF and its group undertakings including CCC and CIC. CCC, CIC, CNAF and Loews are all incorporated in the United States of America (“US”).

CNA is one of the largest commercial property and casualty insurance companies in the US. As of 31 December 2025, it had approximately 6,600 employees and its insurance products include commercial property and casualty coverages, including surety. CNA’s products and services are primarily marketed through independent agents, brokers and managing general underwriters to a wide variety of customers, including small, medium and large businesses, insurance companies, associations, professionals and other groups.

Further information regarding the key elements of the Group’s underwriting and investment performance is included in section A of this report. Certain items below have been classified following UK Solvency II rules rather than United Kingdom Financial Reporting Standards 102 and 103 (“UK GAAP”) reporting. For example, claims handling expenses and investment management expenses are shown in expenses incurred whereas under UK GAAP they would be reported in net claims incurred, and investment income respectively.

Summary - continued

Business and performance - continued

	Group		CICL	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Gross premiums written	504,895	505,935	304,282	313,873
Net premiums earned	422,089	418,614	257,936	254,819
Net claims incurred	(234,422)	(232,765)	(141,967)	(144,561)
Expenses incurred	(161,781)	(158,560)	(88,695)	(88,807)
Underwriting profit/(loss)	25,886	27,289	27,274	21,451
Investment income	81,494	55,776	54,305	28,265
Other income/(charges)	(10,950)	9,115	(3,517)	3,103
Profit on ordinary activities before tax	96,430	92,180	78,062	52,819
Taxation	(13,747)	(24,644)	(9,178)	(7,355)
Result after tax	82,683	67,536	68,884	45,464

Corporate governance

Ultimate responsibility for the Group's affairs rests with the Board of Directors. The Board is responsible for approving the Group's business plan and its strategies with regard to risk management. The Board provides leadership based on a framework of controls and risk management disciplines and sets the Group's risk appetite. The Board also seeks to ensure compliance with all relevant internal and external regulations governing the Group's activities.

The Board operates with three principal committees: an Audit Committee, a Risk Committee and an Underwriting Committee. Each committee has clear terms of reference for the matters for which it is responsible and reports to the Board. The Board, Audit Committee and Risk Committee are chaired by an independent non-executive director. The Underwriting Committee is chaired by the Chief Executive Officer. The corporate governance framework is reviewed and approved by the Board at least annually to ensure its continued effectiveness.

The Board ensures decision making is sufficiently informed through the committee structure and regular Board meetings with comprehensive information presented by management.

Risk management

The Group's appetite for accepting and managing risk is defined by the Board.

The Chief Actuary and Risk Officer ("CARO") has responsibility for ensuring an effective risk management process is in place and is assisted by the Risk function. The Group has developed a risk and control framework which is built on a Risk Management ("ERM") model with each business unit responsible and accountable for aspects of risk management within their area.

The risk framework process considers both internal and external risks and provides the processes for risk identification, assessment and tolerance setting. The scope of risks considered includes all internal and external risks that affect the Group whether quantifiable or not.

Valuation for solvency purposes

There were no material changes to the valuation basis, assumptions or judgements applied to valuation of the Group's assets and liabilities, as required on either a Solvency II basis or that required for financial statement purposes. In addition, there was no material change to the basis, method or main assumptions used for the valuation of Solvency II basis technical provisions.

Summary - continued

Capital management

The Group's capital position and capital requirements are summarised below. There were no instances of non-compliance with Solvency Capital Requirement ("SCR") or Minimum Consolidated Group Solvency Capital Requirement or Minimum Solo Capital Requirements ("MCR") during the reporting period. The Group's net assets (calculated in accordance UK GAAP) as at 31 December 2025 were £706.7 million (2024: £609.4 million). In addition to the valuation differences of technical provisions on a UK GAAP basis and a Solvency II basis, £0.1 million (2024: £0.1 million) of invested assets deposited with Lloyd's of London as security for the underwriting activities of Hardy Underwriting Limited ("HUL"), an associated group company, have been classified as restricted own funds within Solvency II own funds. Overall, the Solvency ratio has improved to 175% from 160% as at 31 December 2024.

	2025	2024
	£'000	£'000
Tier 1 own funds (unrestricted)	790,961	697,539
Tier 3 own funds	-	-
Available and eligible own funds	790,961	697,539
SCR	453,178	435,474
Available and eligible own funds to cover the SCR	790,961	697,539
Excess own funds above the SCR	337,783	262,065
MCR	151,293	137,137
Available and eligible own funds to cover the MCR	790,961	697,539
Excess own funds above the MCR	639,668	560,402
Solvency Ratio	175%	160%

A Business and performance

A1 Business information

Name and legal form of entity

Name: CNA Europe Holdings Limited
Registered number: 3526047
Legal form: Private Limited Company

Registered office

20 Fenchurch Street
London
EC3M 3BY

Primary regulatory supervisor

Prudential Regulation Authority
Bank of England
Threadneedle Street
London
EC2R 8AH

External auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Material lines of business and geographic locations

The Group underwrites the following lines of business: marine, aviation and transport, fire and other damage to property, general liability and miscellaneous financial loss.

In addition to its head office in London and CICE's head office in Luxembourg, the Group operates through branch offices in the UK regions, Belgium, Denmark, France, Germany, Italy and the Netherlands. In each of these locations, domestic business is underwritten, but the Group also underwrites on a cross-border basis under Freedom of Services into other EEA countries. The Group was authorised to underwrite risks located in Switzerland through its regulated status in that country although underwriting there has ceased and regulatory approval to close the branch was formally received in April 2025.

Group structure

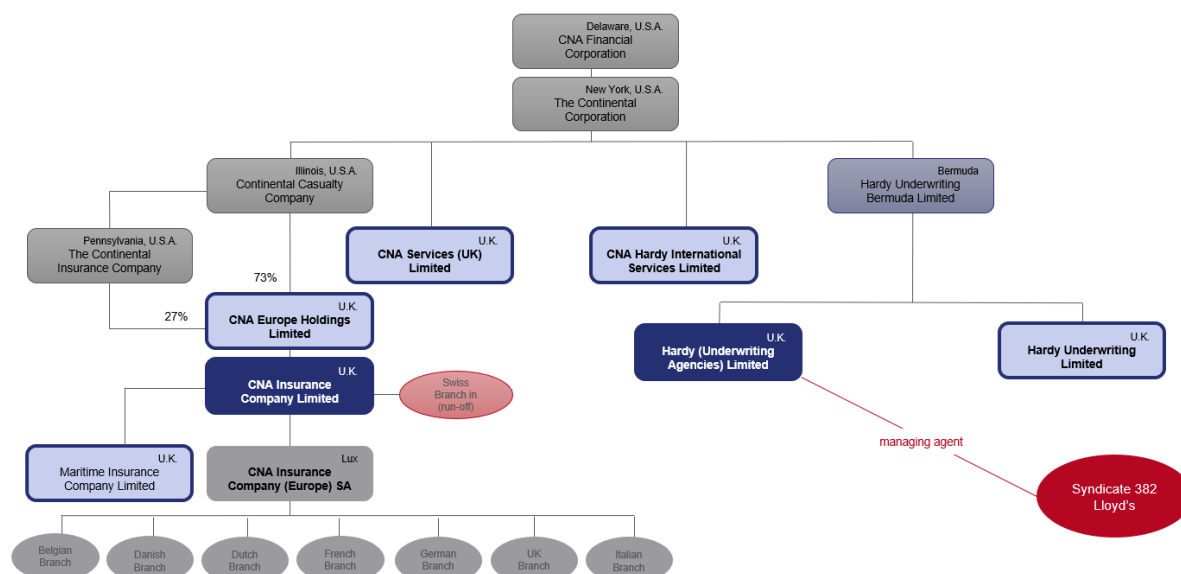
The Group shares its operating and management structure with another CNA company, Hardy (Underwriting Agencies) Limited ("Hardy"), the managing agent of a Lloyd's of London syndicate. Both companies operate under a shared operating model with management and administrative services being provided by a service company, CNA Services (UK) Limited ("CNA Services"), an indirect subsidiary of CNAF. The Group pays CNA Services, which employs all UK staff, a management fee for the provision of management and administration. The Group, via CICE, directly employs all staff in its Continental European branch offices.

A Business and performance - continued

A1 Business information - continued

Group structure - continued

The CNA group structure and the position within the group of CICL and CICE is set out below:



Maritime Insurance Company Limited, incorporated in the UK, is a dormant company. The CNA group structure chart above does not represent the overall CNA group structure.

Significant business events in the reporting period

The Group recorded pre-tax profits of £96.4 million for the 2025 financial year compared to pre-tax profits of £92.2 million for 2024. The profit was driven by investment returns of £81.5 million (2024: returns of £55.8 million) and an underwriting profit of £25.9 million (2024: profit of £27.3 million).

A2 Underwriting performance

The Group's gross premiums written was relatively stable, going from £505.9 million in 2024 to £504.9 million in 2025.

The Group reported an underwriting profit for the year of 25.9 million compared to an underwriting profit of £27.3 million in 2024. The calendar year combined ratio in 2025 was 93.9% (2024: 93.5%).

Favourable prior year loss development of £3.9 million was recorded in 2025 in CICL compared to unfavourable development of £0.8 million in the prior calendar year. In the current calendar year, the favourable loss development was driven primarily by lower emergence of claims from certain lines of business than previously anticipated.

A Business and performance - continued

A2 Underwriting performance - continued

Underwriting performance by material line of business is set out below:

Group

2025	Marine, aviation and transport insurance £'000	Fire and other damage to property insurance £'000	General liability insurance £'000	Misc. financial loss £'000	Other classes £'000	Total £'000
Premiums written						
Gross	69,546	37,525	376,112	21,544	168	504,895
Reinsurers' share	(1,205)	(13,510)	(53,943)	(970)	(1)	(69,629)
Net	68,341	24,015	322,169	20,574	167	435,266
Premiums earned						
Gross	70,313	37,095	360,151	20,794	141	488,494
Reinsurers' share	(1,574)	(14,249)	(51,038)	456	-	(66,405)
Net	68,739	22,846	309,113	21,250	141	422,089
Claims incurred						
Gross	44,517	21,464	227,027	4,217	(202)	297,023
Reinsurers' share	1,507	(2,669)	(54,319)	(7,118)	(2)	(62,601)
Net	46,024	18,795	172,708	(2,901)	(204)	234,422
Acquisition costs	15,818	6,599	70,011	2,302	27	94,757
Technical expenses						67,025
Underwriting gain	6,897	(2,548)	66,394	21,849	318	25,885

A Business and performance - continued

A2 Underwriting performance - continued

2024	Marine, aviation and transport insurance £'000	Fire and other damage to property insurance £'000	General liability insurance £'000	Misc. financial loss £'000	Other classes £'000	Total £'000
Premiums written						
Gross	70,285	49,513	362,091	24,046	-	505,935
Reinsurers' share	(7,520)	(8,735)	(57,624)	(4,847)	-	(78,726)
Net	62,765	40,778	304,467	19,199	-	427,209
Premiums earned						
Gross	70,245	49,454	356,712	23,143	-	499,554
Reinsurers' share	(7,645)	(8,893)	(59,073)	(5,329)	-	(80,940)
Net	62,600	40,561	297,639	17,814	-	418,614
Claims incurred						
Gross	32,748	18,369	190,558	10,160	-	251,835
Reinsurers' share	(1,041)	(1,183)	(16,182)	(664)	-	(19,070)
Net	31,707	17,186	174,376	9,496	-	232,765
Acquisition costs	13,837	7,541	67,728	4,569	-	93,675
Technical expenses						64,885
Underwriting gain	17,056	15,834	55,535	3,749	-	27,289

A Business and performance - continued

A2 Underwriting performance - continued

CICL

2025	Marine, aviation and transport insurance £'000	Fire and other damage to property insurance £'000	General liability insurance £'000	Misc. financial loss £'000	Other classes £'000	Total £'000
Premiums written						
Gross	41,482	33,507	213,975	15,152	166	304,282
Reinsurers' share	(1,045)	(11,813)	(35,398)	1,459	2	(46,795)
Net	40,437	21,694	178,577	16,611	168	257,487
Premiums earned						
Gross	41,627	33,414	210,736	13,952	141	299,870
Reinsurers' share	(1,381)	(12,301)	(30,823)	2,573	(2)	(41,934)
Net	40,246	21,113	179,913	16,525	139	257,936
Claims incurred						
Gross	20,258	20,145	132,161	4,069	(205)	176,428
Reinsurers' share	1,286	(495)	(28,316)	(6,936)	-	(34,461)
Net	21,544	19,650	103,845	(2,867)	(205)	141,967
Acquisition costs	9,170	5,235	41,603	(178)	17	55,847
Technical expenses						32,848
Underwriting gain	9,532	(3,772)	34,465	19,570	327	27,274

A Business and performance - continued

A2 Underwriting performance - continued

2024	Marine, aviation and transport insurance £'000	Fire and other damage to property insurance £'000	General liability insurance £'000	Misc. financial loss £'000	Other classes £'000	Total £'000
Premiums written						
Gross	40,121	40,156	217,332	16,264	-	313,873
Reinsurers' share	(7,119)	(7,099)	(38,492)	(2,880)	-	(55,590)
Net	33,002	33,057	178,840	13,384	-	258,283
Premiums earned						
Gross	39,819	39,854	215,698	16,142	-	311,513
Reinsurers' share	(7,261)	(7,239)	(39,256)	(2,938)	-	(56,694)
Net	32,558	32,615	176,442	13,204	-	254,819
Claims incurred						
Gross	19,629	17,101	103,773	8,824	-	149,327
Reinsurers' share	(873)	(503)	(2,997)	(393)	-	(4,766)
Net	18,756	16,598	100,776	8,431	-	144,561
Acquisition costs	6,838	6,627	36,705	2,830	-	53,000
Technical expenses						35,807
Underwriting gain/(loss)	6,964	9,390	38,961	1,943	-	21,451

A Business and performance - continued

A2 Underwriting performance - continued

Underwriting performance by material branch location for the Group is set out below.

2025	United Kingdom £'000	Luxembourg £'000	France £'000	Netherlands £'000	Italy £'000	Other £'000	Total £'000
Premiums written							
Gross	303,838	75,561	40,393	20,607	18,506	45,990	504,895
Reinsurers' share	(46,724)	(12,006)	(4,256)	(1,448)	(1,310)	(3,885)	(69,629)
Net	257,114	63,555	36,137	19,159	17,196	42,105	435,266
Premiums earned							
Gross	299,339	75,530	40,354	20,952	18,247	34,072	488,494
Reinsurers' share	(41,810)	(12,006)	(4,599)	(1,463)	(1,279)	(5,248)	(66,405)
Net	257,529	63,524	35,755	19,489	16,968	28,824	422,089
Claims incurred							
Gross	182,890	58,835	25,519	3,301	8,473	18,005	297,023
Reinsurers' share	(40,492)	(19,003)	(3,564)	-	(225)	683	(62,601)
Net	142,398	39,832	21,955	3,301	8,248	18,688	234,422
Expenses incurred	91,990	19,381	17,216	7,035	6,773	19,387	161,782
Underwriting gain/(loss)	23,141	4,311	(3,416)	9,153	1,947	(9,251)	25,885

A Business and performance - continued

A2 Underwriting performance - continued

2024	United Kingdom £'000	Luxem- bourg £'000	France £'000	Nether- lands £'000	Italy £'000	Other £'000	Total £'000
Premiums written							
Gross	312,421	59,052	41,183	22,158	18,082	53,039	505,935
Reinsurers' share	(55,028)	(9,788)	(4,224)	(2,215)	(1,379)	(6,092)	(78,726)
Net	257,393	49,264	36,959	19,943	16,703	46,947	427,209
Premiums earned							
Gross	310,128	54,925	41,603	21,756	19,459	51,683	499,554
Reinsurers' share	(56,118)	(9,750)	(4,761)	(2,459)	(1,556)	(6,296)	(80,940)
Net	254,010	45,175	36,842	19,297	17,903	45,387	418,614
Claims incurred							
Gross	149,434	26,928	47,798	(975)	13,506	15,144	251,835
Reinsurers' share	(4,755)	(532)	(10,645)	275	(1,301)	(2,112)	(19,070)
Net	144,679	26,396	37,153	(700)	12,205	13,032	232,765
Expenses incurred	87,899	17,302	16,669	5,098	9,007	22,585	158,560
Underwriting gain/(loss)	21,432	1,477	(16,980)	14,899	(3,309)	9,770	27,289

A Business and performance - continued

A3 Investment performance

The Group benefited from positive operating cash flows and, to the extent possible, these were re-invested in the Group's investment portfolio. The Group has in place processes to monitor operating cash flows, which ensure that investment returns are maximised, whilst maintaining adequate cash resources to meet operating expense and claims.

The Group's investment guidelines are regularly reviewed and, as a part of this process, the duration and currency profile of the investment portfolio is managed to closely match that of the Group's underlying liabilities. The Group continues to invest predominantly in high grade corporate and government bonds in accordance with its stated investment strategy and in conjunction with its external investment manager.

GAAP investment income arising from investments by asset class are as follows:

Group

	Corporate bonds £'000	Government bonds £'000	Bank interest and other £'000	Total £'000
2025				
Income from investments	40,451	2,935	2,105	45,491
Net realised gains/(losses) investments	(1,863)	91	(2,160)	(3,932)
Net unrealised gains/(losses) on investments	34,802	4,123	(79)	38,846
Interest expense	-	-	1,089	1,089
Total	73,390	7,149	955	81,494

	Corporate bonds £'000	Government bonds £'000	Bank interest and other £'000	Total £'000
2024				
Income from investments	32,268	3,124	2,053	37,445
Net realised gains/(losses) investments	(11,210)	464	1,005	(9,741)
Net unrealised gains/(losses) on investments	24,439	2,171	165	26,775
Interest expense	-	-	1,297	1,297
Total	45,497	5,759	4,520	55,776

There were no investment gains and losses recognised directly in equity.

A Business and performance - continued

A3 Investment performance

CICL

2025	Corporate bonds £'000	Government bonds £'000	Bank interest and other £'000	Total £'000
Income from investments	26,775	2,148	1,297	30,220
Net realised losses investments	(2,714)	(10)	(712)	(3,436)
Net unrealised gains on investments	25,170	3,130	36	28,336
Investment management expenses	(488)	(52)	-	(540)
Interest expense	-	-	(275)	(275)
Total	48,744	5,215	346	54,305

2024	Corporate bonds £'000	Government bonds £'000	Bank interest and other £'000	Total £'000
Income from investments	21,536	2,272	1,543	25,351
Net realised gains/(losses) investments	(7,380)	224	26	(7,130)
Net unrealised gains/(losses) on investments	11,054	216	(116)	11,154
Investment management expenses	(471)	(51)	-	(522)
Interest expense	-	-	(588)	(588)
Total	24,739	2,661	865	28,265

A Business and performance - continued

A4 Performance of other activities

A4.1 Other income and expenses

Details of other income and expenses are as follows:

Group

	Note	2025 £'000	2024 £'000
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Items recognised in profit and loss on a GAAP basis:

Other (expense)/income	1	(4,761)	4,502
Tax charge on profit on ordinary activities	2	13,747	24,644

Items recognised directly in equity on a GAAP basis:

Remeasurement of defined benefit pension schemes	3	(2,914)	(2,011)
UK deferred tax attributable to remeasurement of the net defined benefit pension schemes	4	769	383
Currency translation differences	5	16,477	(14,033)

CICL

	Note	2025 £'000	2024 £'000
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Items recognised in profit and loss on a GAAP basis:

Other (expense)/income	1	(741)	2,581
Tax charge on loss on ordinary activities	2	9,178	7,355

Items recognised directly in equity on a GAAP basis:

Remeasurement of defined benefit pension schemes	3	(2,834)	(1,995)
UK deferred tax attributable to remeasurement of the net defined benefit pension schemes	4	769	383
Currency translation differences	5	416	(395)

A Business and performance - continued

A4 Performance of other activities - continued

A4.1 Other income and expenses - continued

1. Other income and expense relate primarily to foreign exchange gains and losses recognised when monetary assets and liabilities denominated in foreign currency are revalued to functional currency at year end exchange rates.
2. Tax on profit or loss on ordinary activities represents current and deferred tax, including UK corporation tax and foreign tax, provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.
3. Amounts represent the re-measurement of the Group's net defined benefit pension scheme's assets and liabilities and are recognised directly in equity.
4. Deferred taxes attributable to the Group's net defined benefit pension scheme assets and liabilities are recognised directly in equity in line with the treatment of the pension scheme.
5. The presentational currency of the Group's financial statements is Pounds Sterling. The functional and presentational currency of CICE is Euros and is translated to Pounds Sterling as follows: Income and expenses are translated to Pounds Sterling using the exchange rates prevailing at the date of the underlying transactions. Assets and liabilities are translated at year end exchange rates. All resulting exchange differences are recorded as currency translation differences in the statement of comprehensive income and reflected in the currency translation reserve.

A4.2 Material operating lease arrangements

The operating lease for the Group's head office at 20 Fenchurch Street is held by CNA Services. The operating leases for the Group's European branch offices are held by CICE. Information on leasing arrangements is included in Section D1 and D3.

A5 Other material information

A5.1 Geopolitical risks

The Group continues to monitor the developing events in the Middle East and their impact on inflation, investment valuations as well as other factors which may have an impact on the Group. At this stage, the Board does not believe there will be a material impact on the Group's operations.

A5.2 Economic indicators

The Group monitors the macroeconomic outlook of inflation and interest rates and how that impacts key areas, notably reserving, pricing, business planning, day-to-day insurance activity and investment management.

A5.3 Funds at Lloyd's

During the year the amount of the funds the Group holds in invested assets deposited with Lloyd's of London as security for the underwriting activities of HUL, an associated group company, remained at £0.1 million at 31 December 2025 (2024: £0.1 million). Both the amount held at 31 December 2025 and the current amount (£0.1 million) as at the date of approval of this document have been classified as restricted own funds within Solvency II own funds.

B System of governance

System of governance

As a holding company, CNAEH's Board sits above the CICL Board which has responsibility for the ultimate performance of CICL and its risk taking activity and therefore has established an organisational structure that supports an effective system of corporate governance to assess, manage and monitor risk.

The system of governance has a clear allocation of responsibilities by risk types and is reviewed at least annually by the Board. The Group operates the "Three Lines of Defence" assurance model to support the Board and its Committees.

The following information relates to the CICL Board, Committees and working groups. CICE has its own Board, Committees and working groups which meet separately and focus on its own organisation. With the exception of CICE not having an underwriting committee, it follows the same structure as set out below. Unless stated, references to the Board below refer to the CICL Board. The CNAEH Board and CICL Boards have overlapping memberships.

Risk profile

The Board has overall responsibility and accountability for risk management. The Group's appetite for accepting and managing risk is defined by the Board. The Board has delegated to the Risk Committee the responsibility of identifying and assessing all material risks and reviewing the Group's actual risk exposure against stated risk appetite on a regular basis.

Insurance risk is the risk associated directly with the Group's underwriting activities. This includes the risk associated with inaccurate or inadequate pricing of insurance policies, inappropriate or poorly controlled underwriting guidelines and authority limits, unexpectedly high frequency or severity of claims experience, and inadequate or inaccurate loss reserving.

B1 General Information on the system of governance

B1.1 Roles and responsibilities of the administrative, management or supervisory body and key functions

The core purpose of the Group is to be a leading specialty insurer with the aim of creating differentiation to our competitors through the delivery of underwriting and service excellence. The Board has responsibility for the ultimate performance of the Group and its risk taking activity and therefore has established an organisational structure that supports an effective system of corporate governance to assess, manage and monitor risk.

The Group operates a three lines of defence governance model. The overview below covers this structure.

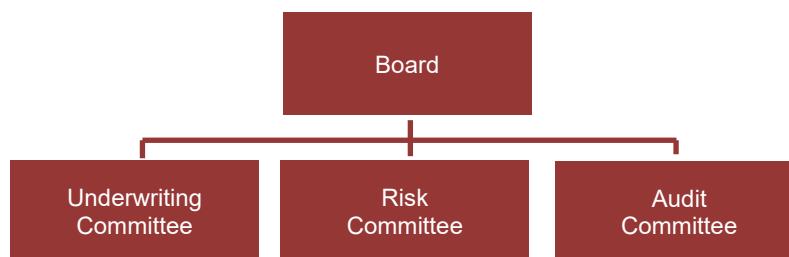
The Board is supported by the Underwriting Committee and by two governance committees, the Audit Committee and the Risk Committee, chaired by Independent Non-Executive Directors, ("INEDs"). The structure reflects individual accountability under the Senior Managers and Certification Regime ("SMCR"). Each committee has terms of reference that document and define the matters for which it is responsible.

The system of governance has a clear allocation of responsibilities by risk types and is reviewed at least annually by the respective Boards.

B System of governance

B1 General Information on the system of governance - continued

B1.1.1 Overview of the Board and Committees



B1.1.2 The Board

Ultimate responsibility for the Group's affairs rests with the Group Board of Directors and the Directors of each company. The Board is responsible for approving the Group's business plan and its strategies. The Board provides leadership based on a framework of controls and risk management disciplines and sets the Group's risk appetite. The Board also seeks to ensure the Group is compliant with all relevant internal and external regulations governing the Group's activities. The Board meets quarterly and on an ad hoc basis as required.

The Board is responsible for ensuring that the implemented risk management process is suitable, effective and proportionate to the nature, scale and complexity of the risks inherent in the business.

The structure of the Board and executive responsibilities ensures appropriate segregation of responsibilities, overseen by the governance committees.

The duties of the Group Board or its delegated representatives include:

- Overall responsibility for the Group's strategy, management and business performance;
- Approval of the Group's long-term objectives and commercial strategy, including but not limited to, the Group's business plan and the Own Risk and Solvency Assessment ("ORSA");
- Setting the Group's risk appetites and ensuring that the organisation has an embedded risk management framework and risk absorption capability to support its business strategy;
- Ensuring the maintenance of a sound system of internal controls and risk management, including reviewing the effectiveness of the Group's risk and control processes;
- Approval of the financial reports including the annual accounts;
- Review and approval of material policies, and any reports and returns required by the Regulators including confirmation statements regarding Solvency II compliance;
- Maintaining appropriate capital to support the Group;
- Setting the Group's values and standards, and providing appropriate opportunities for organisational learning, including lessons learned and ongoing training and development; and
- Oversight of Board membership and corporate governance matters.

B System of governance - continued

B1 General Information on the system of governance - continued

B1.1.3 Board Committees

Underwriting Committee

The key objectives of the Underwriting Committee include:

- Reviewing and challenging the underwriting, claims and pricing strategy and business plans, and making recommendations to the Board as appropriate;
- Ensuring appropriate governance and control of underwriting, claims and reinsurance operations and ensuring outcomes for retail customers are aligned to the FCA PRIN 2 A rules (Consumer Duty), and retail customers are receiving good outcomes. Reporting and making recommendations to the Board as appropriate;
- Reviewing and challenging business performance. Reporting and making recommendations to the Board as appropriate;
- Considering and approving all material changes to the annual plan. Reviewing and approving new lines of business and new territories and any product related matters referred to the Underwriting Committee by the Product Oversight Group. Approving material changes to and exit from classes of business, products or territories, and escalating to the Board if required;
- Overseeing and challenging the distribution strategy and making recommendations to the Board as appropriate; and
- Overseeing and challenging the delegated underwriting strategy, including portfolio management and deep dives. Overseeing Delegated Underwriting activities to ensure outcomes are aligned to the FCA PRIN 2 A (Consumer Duty) obligations and meet the expectations of the Group in ensuring retail customers receive good outcomes. Reporting and making recommendations to the Boards as appropriate.

Risk Committee

The key objectives of the Risk Committee include:

- Raising the level of risk awareness and accountability;
- Integrating an effective risk management process into the organisational structure, decision making process and the Group's culture;
- Providing a mechanism for oversight of all risk management issues;
- Monitoring the Group's risk-based capital and overseeing the Group's compliance with Solvency II regulation;
- Compliance with the Group's risk management strategy, risk policies and risk appetite; and
- Ensuring that the Risk Register is both up to date and adequate.

Audit Committee

The key objectives of the Audit Committee are to assist the Board to oversee the:

- Integrity of the Group's financial statements;
- Adequacy and effectiveness of the internal control environment;
- Qualifications and independence of the Group's external auditors; and
- Agreement of the audit plan and assess the performance of the Internal Audit Function.

B 1.2 Changes to the system of governance

An annual review of the Board Reserved Matters and the Terms of Reference of each of the Board Committees took place in 2025. This resulted in no changes to the Board Reserved Matters and Terms of Reference for Risk and Audit Committees of CICL. The Underwriting Committee Terms of Reference were amended and these amendments were approved by the Board in September 2025.

B System of governance - continued

B1 General Information on the system of governance - continued

B 1.3 Adequacy of the system of governance

The system of governance is deemed to be adequate following an external Board effectiveness review conducted in 2025. An internal review is conducted annually.

The Group is committed to ensuring that its strategy, leadership, decision making and control framework are all central to the reasonable expectations of, and reflect the fair treatment of, its policyholders.

The Group believes that the quality of its relationship with customers is key to the success of the business. The Group continues to review its commitment to its customers to ensure that its values are maintained. Accordingly, the Group ensures conduct risk management is embedded into its risk management framework, supported by appropriate management information.

The fair treatment of customers remains at the heart of the Group's business model. The Group is satisfied that its policies and procedures are designed and implemented in such a way as to ensure that treating customers fairly outcomes are delivered. The Group has embedded the Consumer Duty principle and is committed to delivering good outcomes under the Duty.

B 1.4 Remuneration Policy

B 1.4.1 Principles of the remuneration policy

The Group's remuneration policy addresses the business philosophy and takes account of regulatory guidelines by ensuring that the overall remuneration package:

- Is fair, competitive, transparent, and appropriate for the market in which the Group operates to attract, retain, and motivate the workforce, the Group's key business asset, over the long term;
- Is affordable and sustainable and supports the delivery of the Group's corporate and strategic goals, incorporating sound risk management controls to align with our risk appetite;
- Provides a demonstrated link between pay, and Group and individual performance;
- Reflects an appropriate balance between fixed and variable pay and short term and long term incentives; and
- Applies to all employees and does not encourage or reward inappropriate risk-taking by Executive Directors or employees. It reflects the role that individuals perform, the skills or expertise required to perform a role and its value to the business. Total remuneration comprises a basic salary, benefits, a discretionary Annual Incentive Plan bonus and if eligible, a Long Term Incentive Plan. This is generally reflective of market practices.

To ensure that the Group's remuneration strategy remains appropriate and managed effectively, the following actions are taken:

- The Group's remuneration policy is managed by CNAF; however, responsibility for overseeing the development and implementation of the Group's remuneration policies and practices has been allocated to the chair of CICL;
- Internal thematic review of UK remuneration requirements from a regulatory perspective against Group practices (CICL only);
- No Executive Director or employee is involved in decisions concerning their own remuneration;
- Market remuneration reviews are conducted on a regular basis for all roles within the organisation;
- The Group has access to independent external advice from international remuneration and legal advisors as needed from time to time;
- A performance management system is in place which clearly details the objectives for each employee within the business. This provides for the assessment of performance against this, with the link to reward in the form of the annual pay review and participation in the Annual Incentive Plan and in the Long Term Incentive Plan as applicable; and
- An annual gender pay gap is published by the Group for its UK employees.

The remuneration structure and policy have not changed over the last twelve months.

B System of governance - continued

B1 General Information on the system of governance - continued

B 1.4 Remuneration Policy - continued

B 1.4.2 Share options, shares or variable components of remuneration

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings and regular Group briefings. All employees are eligible to be included in the Annual Incentive Plan, subject to scheme rules, which assesses performance objectives and behaviours against defined targets / standards.

Fixed remuneration

This is the core element of remuneration which allows individuals to be remunerated through regular monthly salary payments. It is the Group's policy to pay a market rate compared to other insurers in the relevant market.

Variable remuneration – Annual Incentive Plan

The variable remuneration is in the form of an Annual Incentive Plan. The plan is designed to incentivise and reward employees who have delivered against their pre-determined individual and collective Group targets over the year. Bonus pool funding is based on relative financial performance against plan components and relative performance to other Group companies.

The Group promotes a high performance culture supported by a pay for performance philosophy and practice. The actual results achieved by the Group influence the determination of individual bonus awards. The greatest influence on each award is individual performance and contribution to results, and they remain the most influential ingredients in how bonuses are calculated.

Variable remuneration – Long-Term Incentive Plan

The Group also operates a longer term incentive programme for eligible senior employees to help to align performance with the longer term strategy of the Group by deferring an element of a participant's total remuneration. The Annual Performance Share Plan provides eligible participants with an opportunity to earn an award when CNA's pre-established financial goals, based on its annual net operating income, are achieved over a one-year period. Awards are granted at the beginning of each performance year and are subject to a two-year vest after the Group's annual performance has been determined.

As a wholly owned subsidiary of CNAF, restricted share options are not available to the Group's employees.

B 1.4.3 Supplementary pension or early retirement schemes for the members of the administrative, management or supervisory body and other key function holders

The Group currently operates a non-compulsory defined contribution pension scheme in the UK. Pension schemes differ across Continental Europe according to the market practice and mandatory social security provisions of the country in which the branch operates.

The Group previously operated a UK defined benefit pension plan that is now closed to new entrants and future accruals.

B 1.5 Material transactions during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body

No material transactions took place in the last financial year.

B System of governance - continued

B2 Fit and Proper requirements

B 2.1 Requirements for skills, knowledge and expertise

The Group ensures that all employees are fit to undertake their delegated responsibilities and possess the relevant knowledge, skills and experience to effectively carry out their role. There is a robust onboarding process for all employees including employees subject to the SMCR (Senior Managers and Certification Regime), including references, identity verification, credit checks and criminal record checks.

There is an appraisal process that includes regular performance review and annual appraisal, which is documented, with objectives set and training needs identified.

B 2.2 Fitness and propriety of persons

There is also an annual fitness and propriety assessment to ensure that employees subject to SMCR remain fit and proper to carry out their roles. The assessment considers the employee's honesty (including openness with self-disclosures, integrity and reputation), competence and capability, and financial soundness. For UK Directors, a further assessment is undertaken which considers their knowledge and skills. Employees subject to SMCR also complete annual training on SMCR.

B3 Risk Management including the ORSA

B 3.1 Risk Management Framework ("RMF")

The RMF is designed to provide a consistent approach to the management of risks, ensuring an agreed and widely understood approach and language (taxonomy) is used in the identification, assessment, management, monitoring and reporting of all risks faced by the Group. Qualitative and quantitative risk assessments are performed to produce a comprehensive picture of risks and exception reporting ensures that significant risks are reported and monitored at the appropriate levels.

The chart below outlines the key elements of the Group's RMF.



The objective of the RMF is to support the Group in achieving its strategic goals, business plans and promote a positive risk culture. A strong risk culture enables informed risk-taking and provides open lines of communication throughout the organisation, allowing the business to effectively prevent potential losses and/or damage to its reputation.

B System of governance - continued

B3 Risk Management including the ORSA - continued

B 3.1 Risk Management Framework (“RMF”) - continued

Risk appetite is the amount and type of risk that the Group is willing to accept to meet its strategic objectives. It defines the risks the Group wishes to accept, avoid, mitigate and/or transfer.

The Group’s risk appetites support the delivery of the strategy, organisational objectives, and business plans, ensuring stakeholder expectations are met. Whilst the risk appetite of individual legal entities part of the Group and business lines may vary, this variance should not cause the Group or any of its legal entities to be exposed to a level of risk outside its appetite.

Risk Appetite Statements are supported by key risk indicators (“KRIs”) and risk tolerances which have been developed in partnership with the business, to guide decision-making and ensure risks remain within manageable limits. The Board formally reviews and approves the Risk Appetite Statements on an annual basis, or more frequently upon changes to risk profile, to ensure alignment to business plan.

Performance against KRIs is monitored and reported on a quarterly basis to the Risk Committee and Board.

When a business unit operates outside of appetite, this is reported and mitigating actions are identified, with timelines agreed for delivery. Alternatively, the Group may reassess its risk appetite and decide whether to accept a higher level of risk.

Risk policies are key components of the Group’s RMF. They are formal documents approved by Risk Committees and Boards and used by the Group to set out the principles that guide decision-making and behaviour in relation to the management of risk.

The risk policies are aligned to the Group’s strategy and objectives.

Risk Taxonomy

The Group’s risk taxonomy provides a structured classification of the different types of risks it faces. This categorisation of risks enables the business to identify, assess and manage risks, forming the basis for documenting them in the Risk Register.

The Risk Register contains all the material risks currently faced by the business. Each risk in the Risk Register is directly or indirectly linked to the Group’s strategic goals. Each risk has a Risk Owner who manages the associated appetites, controls and KRIs and an Executive Owner accountable to the Board for the effective management of the risks they own.

Risk and Control Assessment

Risk Owners, assisted by the Risk Function, conduct a formal review of risk and controls as part of the Risk and Control Self-Assessment (RCSA) process conducted on a quarterly basis or when there is a material change to the risk profile, to identify the risks to achieving strategic and operational objectives within their areas. Input from risk events, Internal Audit reviews and Compliance reviews would all be factors considered in this assessment process.

The aim of a risk assessment is to focus management on key risks, support informed decision-making, and enable appropriate treatment of risks.

Each risk is assessed against financial, legal /regulatory, reputational / customer and operational efficiency impact factors.

B System of governance - continued

B3 Risk Management including the ORSA - continued

B 3.1 Risk Management Framework (“RMF”) - continued

Controls

Controls are defined as ‘any action taken by management, the Board and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved.’

Controls operate at all levels of the business to manage risk within acceptable levels. Controls may include policies, procedures, systems, and processes that help protect the Group from risk.

When assessing residual risks, the Group focusses on ‘critical/key controls’, those controls that are required to provide reasonable assurance that material errors will be prevented or detected and that if they were to fail, there is reasonable likelihood that a material error would not be prevented or detected on a timely basis.

The Internal Control Policy and the Assurance Forum exist with the overarching goal of enhancing risk management practices, refining governance structures to delineate clear roles and responsibilities, and ensuring robust reporting mechanisms to address any identified control deficiencies.

Risk Mitigation

In the event that the Group does not want to accept the level of risk it is exposed to, or a business unit is operating outside of appetite, this is reported and mitigating actions are identified, and timelines agreed for delivery. Alternatively, the Group may review its risk appetite and decide to accept a higher level of risk.

Risk Events

Risk events are occurrences that result in a negative impact on the Group. Near misses are where a risk event occurs but there is no negative impact on the Company. Risk events can arise from a range of causes, including inadequate or failed controls or processes, human error, poor communication, fraud or inadequate training. These causes can be either internal or external to the business.

Risk event reporting is an important tool for the measurement and management of risk. By promoting an open and transparent culture where staff can report risk events and near-misses, crucial data is captured on actual and potential control failings. In addition, the data collected can be used to proactively address issues with Risk Owners and to calibrate Internal Capital Model outputs.

Risk events are assessed, with support of the Risk Function, and logged by Risk Owners. Risk Owners assess the nature and quantum of actual or potential losses, and root causes are documented. Control weaknesses/failings identified are considered when quantifying risk unless remedial action has been completed and been shown to be effective. Risk events reporting is provided regularly to the Risk Committee.

Risk event data is used as part of the RCSA process to ensure control assessments are accurate / realistic. This data is also used in the development of stress scenario testing as part of the ORSA.

Monitoring and Reporting

Risk exposures versus agreed tolerances are monitored through Key Risk Indicators (“KRIs”) and other risk metrics and reported to the Risk Committees quarterly. It is the responsibility of the Risk Function to oversee and coordinate the production of the Risk Committee reports. The focus of reporting is on material and thematic issues.

Risk Owners are expected to provide the Risk Function with regular updates on their risks and controls as well as KRI information. Risk Owners provide quarterly commentary on the risk environment in their business unit/branch/department to the Risk Function for the Risk Committee reports.

Where risk metrics show a deteriorating trend in the risk posture, the Risk Owner should provide appropriate commentary to explain the situation and the actions that are being taken to remediate the situation. The aim is to identify adverse risk movements as early as possible and manage the ‘path to green’ before a risk breaches risk appetite.

B System of governance - continued

B3 Risk Management including the ORSA - continued

B 3.1 Risk Management Framework (“RMF”) - continued

Governance

The Group through its various Board Committees, oversees the effective management of risks. The Risk Committee, reporting to the Board and operating under delegated authority, is responsible for reviewing and challenging key elements of the Group’s RMF such as risk appetites and tolerances, economic and regulatory capital, and overall monitoring of risk profile.

The Board is responsible for ensuring that the implemented risk management process is suitable, effective, and proportionate to the nature, scale and complexity of the risks faced by the business.

Systems & Tools

The Group RMF is supported by the use of several systems and tools to enable accurate assessment of risks and controls, as well as enabling the embedding of risk management practices within the day-to-date management of the business.

Training and Awareness

Training on Risk Management is provided to all CNA staff by the Risk Function in line with direction from the Board which is responsible for ensuring that appropriate training is delivered. The Risk Function supports senior leaders and managers across the business on embedding risk management practices, awareness, risk culture, and broader requirements of the role of Risk Owner and/or Control Owner.

B 3.2 ORSA Process

The ORSA Process is the sum of underlying processes and actions that are required to determine the capital needs of the Company in relation to its strategy, risk profile, and appetite over the long-term plan considering actual and potential risks.

The Risk Function collaborates with the business to agree on management actions arising from key findings of the ORSA. These actions, including ownership and delivery dates, are monitored by the Risk Function with progress updates regularly reported to the Risk Committee.

Assessments are forward-looking and consider the business plan, long term plan and projections. The assessment is performed at least annually in line with the refresh of the strategy, long term plan and business plan and without any delay following any significant change in the risk profile, with the outcome of the assessment informing strategic decisions.

The Board is ultimately responsible for the ORSA Process and the effective execution of the management actions arising from it, and is required to understand, review, challenge and approve the results of the ORSA via an ORSA Report at least annually.

The Risk Function is responsible for ensuring that the ORSA Process is followed and an ORSA Report is produced as per the guidelines set out in the ORSA Policy.

The ORSA Process is structured in such a way that strategy, risk, capital, and solvency are assessed regularly and any trigger events for an ad-hoc ORSA are identified. If an ORSA trigger occurs, the Risk Committee conducts a review to determine if a full or partial ORSA refresh is required.

Any material issues raised by the ORSA Process are escalated to the Board including justification for any ORSA refresh that may be required. ORSA triggers are detailed in the ORSA Policy.

B System of governance - continued

B3 Risk Management including the ORSA - continued

B 3.1 Risk Management Framework (“RMF”) – continued

B 3.2 ORSA Process - continued

Stress and Scenario Tests

Stress and scenario tests (including reverse stress tests) are an important tool in the analysis of the financial condition of the Group. They explore, analyse, and communicate potential vulnerabilities and opportunities to the Group over the short, medium, and long term.

The Group uses different types of analytical tools to anticipate possible losses that might occur if an identified risk crystallises e.g., economic downturn.

- **Sensitivity testing** is the process of testing the impact of flexing the assumptions/parameters to determine the influence of the assumption on the output. It can therefore be used to identify variables that have a large influence on model outputs and is often used to test model parameter impact and provide quantification of uncertainty associated with expert judgements.
- **Single factor stress tests** assess the impact a single event has on the business. They are usually developed by applying an event that has occurred historically, creating one that may occur in the future, or by subjecting a key aspect of the business to a modelled probabilistic stress.
- **Scenario stress tests** are a combination of events that impact the business at the same time or across a longer time period, which potentially impact one or more key aspects of the business. Scenario stress tests will often include business resilience factors that will place a strain on business operations at the same time as the external events.
- **Reverse stress test** is the process of identifying the point at which the Group’s business model becomes unviable and then identifying scenarios and circumstances that might cause this to occur.

B4 Internal Control System (“Three Lines of Defence”)

The Group operates the “Three Lines of Defence” assurance model to support the Board and its Committees.

B 4.1 First Line of Defence

Risks are owned and managed in the first line by those that have a responsibility for risk taking and decision making. The appetites, tolerances and limits set by the Board provide the parameters within which the business operates. It is the duty of the first line to operate within these and therefore support the level of risk taking that the Board has deemed acceptable as part of its strategy.

Staff undertaking day to day activities are best placed to understand the risks of that activity and be able to spot risk issues and improvements. Therefore, all staff are responsible for managing the risks that are within their areas of responsibility and for ensuring that the risks they assume on behalf of the business are appropriate to the nature and appetite of the business, and within the scope of their authorities.

B 4.2 Second Line of Defence

The second line of defence supports the first line in risk management by providing oversight and guidance in the implementation of risk management practices. The Risk Function, in the second line, is responsible for coordinating and managing the RMF and maintaining effective risk management and ORSA processes. They assist the Board by providing objective monitoring and oversight of the risk position against appetite.

The Board is also supported in the second line by Compliance, which is responsible for overseeing the framework relating to regulatory risk including assessing the adequacy of the measures adopted by the Group to prevent non-compliance (including compliance monitoring).

B System of governance - continued

B4 Internal Control System (“Three Lines of Defence”) - continued

CARO

The Board has assigned to the CARO responsibility for ensuring effective risk management within the Group by providing overall leadership, vision, and direction for enterprise risk management.

Risk Function

The Risk Function coordinates and manages the RMF. It assists the Board, Risk Committee and CARO to implement and maintain an effective risk management process and ORSA.

The Risk Function also coordinates risk related activities with other business functions including operational resilience, information security and third-party risk management.

The Risk Function is responsible for:

- Coordinating the review, update and monitoring of risk appetites and KRIs
- Coordinating the RCSA process
- Coordinating the Emerging risk assessment and reporting process
- Risk Reporting
- Deep Dives on material initiatives and areas of interest / concern
- Overseeing key initiatives and change programmes.

Compliance Function

The Compliance Function is responsible for the oversight of compliance with internal policies and external law and regulation, in accordance with a defined Compliance Framework. It advises the Board and executive management on regulatory change, and compliance with regulation and internal procedures. The Function is managed according to a Compliance Policy which sets out key authorities, responsibilities, competencies, and reporting obligations. A Compliance Framework is used to identify regulatory compliance risks and to assess the related internal controls environment.

The Compliance Function defines, through a risk-based approach, an annual Compliance Plan, including a Compliance Monitoring Plan, to accomplish its statutory and regulatory mandates. As part of the Compliance Plan, there is a systematic monitoring of regulatory developments to identify legislative or regulatory changes impacting the Group. Regulatory developments are escalated to the appropriate function so that applicable controls can be considered and adjusted where required. This ensures the suitability of those controls considering new legislative measures and emerging and evolving regulatory risks.

B System of governance - continued

B5 Internal Audit Function

B 5.1 Internal Audit Function (“Third Line of Defence”)

Internal Audit’s role is to provide independent, objective assurance and consulting services designed to add value and improve the Group’s operations. Internal Audit helps the Group accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes whilst meeting the requirements of the relevant regulatory authorities.

The scope of Internal Audit’s work is to determine whether the Group’s network of risk management, control and governance processes, as designed and represented by management, is adequate and functioning appropriately.

B 5.2 Independence of the Internal Audit Function

To provide for the independence of Internal Audit, its personnel report to the Head of Internal Audit, who reports functionally to the Chair of the Audit Committee and administratively to the Chief Financial Officer. The Head of Internal Audit meets routinely with the Chair and members of the Audit Committee without management being present.

B6 Actuarial Function

The Actuarial Function is responsible for the estimation and recommendation of reserves and technical provisions as well as the design, parameterisation, maintenance and monitoring of pricing models. In addition, the Actuarial Function is responsible for the Economic Capital Model and for the production of the Standard Formula capital calculation.

The Actuarial Function produces an annual written report setting out the tasks that have been undertaken by the Actuarial Function which identifies any limitations or deficiencies and gives recommendations on how these should be remedied.

The Group operates an enterprise-wide risk management framework that covers all the material risks that the business faces. This includes a specific Reserving Risk that covers all aspects of the actuarial reserving process. The risk considers the reserving process and the performance and adequacy of the control environment. The risk position is reported quarterly to the Risk Committee by the CARO (who is also a Risk Owner) with issues escalated to the Board if necessary. There are key Risk Appetites specific to reserving, measuring reserving strength and the sufficiency of the reserves. These are monitored at various points through the reserving governance framework.

Regular meetings are held between the Risk Management department and Reserving on both the reserving risk and on broader risks, issues and controls that are influenced by, or are an influencer of, the Reserving and Technical Provisions processes. Broader involvement includes the Actuarial Function contributing to the Risk Appetite setting and monitoring process, and through being an active part of the risk review of the business plan to ensure the plan is realistic and supportable, all of which feed into the annual ORSA.

Other areas in which the Actuarial Function is involved in contributing to effective risk management include:

- Oversight on risks related to the use and development of critical models – reserving, capital, pricing – throughout the business;
- Contribution to the process of managing emerging risks;
- Setting risk-based capital estimates;
- Advising on the appropriateness of reinsurance arrangements, and;
- Involvement in the management of pricing risk through development of appropriate technical pricing guidance via pricing models and transactional support.

B System of governance – continued

B7 Outsourcing Policy

The Group has an agreed Outsourcing Policy which sets out the requirements and conditions to be followed when undertaking outsourcing activities. The Group's Outsourcing Policy initially classifies the outsourcing arrangement as either standard outsourcing or material outsourcing. There are differing levels of due diligence and governance in place for approval of outsourcing arrangements.

The Group is currently utilising several service providers to undertake critical or important functions on its behalf. The details of these service providers, and the jurisdictions they operate in, are provided below.

External Outsourcing

- Investment Management - Fund management is outsourced for the Group's investments and the jurisdiction of the provider is the UK;
- Payroll Services - Employee payroll processing services are outsourced to a specialist payroll provider. The jurisdiction of the outsourced service is the same as that in which each CICE Branch operates.

Intragroup Outsourcing

- CNA Services - Provides key services to the Group including IT, internal audit, risk management or actuarial services and is located in the UK;
- CCC – Provides IT services and Infrastructure support through an agreement between CCC and the Group. The supplier provides around the clock support including desktop, network, telecommunications and infrastructure services for the Group. In addition, all IT infrastructure is owned by the provider. CCC is located in the United States of America, however service is provided from locations worldwide.

B8 Any other information

No further information.

C Risk profile

Principal risks and uncertainties

The Board has overall responsibility and accountability for risk management. The Group's appetite for accepting and managing risk is defined by the Board. The Board has delegated to the Risk Committee the responsibility of overseeing the identification and assessment of all material risks and reviewing the Group's actual risk exposure against stated risk appetite on a regular basis.

C1 Strategic Risk

Strategic risk is the potential impact on earnings or capital from an ineffective strategy being set, poor business decisions, failure to execute plans or strategic ambitions, lack of responsiveness to industry changes and ill-disciplined growth in a soft market.

In addition, the Group considers any form of risk that could affect multiple areas of the business simultaneously to be a strategic combination risk. Any event which would have an adverse impact on the Group's reputation would also rank as a strategic risk, which is mitigated through proactive management of the issue supported by public relations. Annual business plans are agreed by senior management and tracked against actual performance throughout the year.

C1.1 Strategic risk: Group risk

Group risk reflects the risk to the Company arising specifically from being part of the wider CNAF Group, including potential financial and operational impacts.

C1.2 Strategic risk: Capital and Solvency

A risk-based approach is used to determine the amount of capital required to support the activities of the Group. Recognised stochastic modelling techniques are used to measure risk exposures, and capital to support business activities is allocated according to risk profile. Stress and scenario analysis is performed, and the results are reviewed against Board risk appetite. Overall, this is considered to be of high materiality and is assessed through the ORSA process.

C1.3 Strategic risk: External Factors

Environmental, Social and Governance ("ESG")

ESG factors are integrated into the Group's RMF by considering physical, liability and transition risks. The Group's approach reflects the principles of Supervisory Statement 3/19, issued by the PRA of the Bank of England. In 2026, the Group will consider the requirements of Supervisory Statement 24/25, 'Enhancing banks' and insurers' approaches to managing climate-related risk, issued by the PRA on 3 December 2025, and refine its approach to the management of climate related risks, if required.

ESG is managed across the Group in line with the ESG Governance Framework. The ESG Governance Framework consists of four workstreams: Underwriting, Disclosure and Reporting, Investments and Human Capital, and Operations. Each workstream is focused on distinct objectives which feed into the overall strategy and reports to the ESG Steering Committee.

The Group's ESG priorities are set by the ESG Steering Committee and Risk Committee (on behalf of the Board). The priorities include, but are not limited to, continued strategy and capability preparations to build towards future UK regulatory reporting requirements, delivery of the PRA and FCA's Diversity, Equity, and Inclusion (DEI) requirement for the financial sector whilst simultaneously remaining aligned to the global strategy and aims of its parent organisation, CNAF. The ESG Steering Committee is chaired by the Group's CARO, attended by the Group's executive team, and ultimately reports to CNAF, CICAL Board and CICAL Risk Committee, as required.

The Group is subject to ESG-related risks due to its risk profile and business plan. Environmental risks include climate change related events. This is managed through catastrophe modelling, portfolio management and communication between Underwriting and the Exposure and Catastrophe Management team. Social risks involve customer relations, diversity, inclusion, and equity, which are managed by the Regulatory Affairs and Human Resources teams, respectively. Governance risks include regulatory non-compliance and lack of transparency, which are both monitored within the ESG Governance Framework and by the Board.

C Risk profile - continued

C2 Insurance risk

Insurance risk is the risk associated directly with the Group's underwriting activities. This includes the risk associated with inaccurate or inadequate pricing of insurance policies, inappropriate or poorly controlled underwriting guidelines and authority limits, unexpectedly high frequency, or severity of claims experience, and inadequate or inaccurate loss reserving.

To mitigate these risks, the Group has in place controls and governance processes designed to closely monitor its underwriting activities. These include, but are not limited to, the oversight of the Underwriting Committee, the operation of the underlying working groups, the issuance of underwriting authority limits and guidelines, the extensive use of technical pricing models, and regular underwriting audits.

C2.1 Underwriting risk

Underwriting risk represents risk associated with the issuance of insurance policies by the Group. This relates to the uncertainty as to whether premiums received will be sufficient to cover future losses, and other expenses, as well as risks associated with potential volatility in claims experience.

Processes used to manage underwriting risk include the setting of underwriting and pricing standards and limits on risk-taking. The Group also monitors and manages its natural and non-natural catastrophe exposures and uses catastrophe modelling software to assess its risk. Where necessary, reinsurance is used to mitigate and transfer risk falling outside risk appetite. Additionally, the Group employs a business model that achieves diversification through the spread of business across territories and sectors. The Underwriting Committee provides governance over managing underwriting risk, reporting to the Board.

Sensitivity testing is carried out around the key assumptions of planned premium rate and growth. This allows the Group to identify the levels of rate and growth where the plan becomes unsustainable.

C2.1.1 Aggregation risk

Within an insurance business, aggregations of risk may arise from a single insurance contract or through a number of related contracts. Whilst some level of claims activity from these aggregations is expected on a regular basis, certain events, or a series of events, may occur that stress the business financially. Examples of such events are damage to property by fire and liability losses. The extent of the impact may also be very dependent on the size and location of the insured events.

Measurement and control of exposures are how volatility within the portfolio is constrained. It goes to the heart of the business' appetite for risk since exposures are contained at a level that represents the extent to which the Group is prepared to bear a net loss. Control of aggregating exposures in vulnerable locations is vital and is the key to maximising the potential for good underwriting profit in loss-free periods without over-exposing capital to the impact of large and costly events. Factors which would impact the assumption of risk in these circumstances include an appropriate pricing of risk, a spread of risk across geographical territories, and the availability, subject to cost, of a suitable reinsurance programme. The Group determines the maximum total exposure levels to a range of events that it is prepared to accept. Beyond this level, no further exposure may be assumed. At any point in time, the current exposure position for the underwriting portfolio is available to underwriters, to enable them to assess the impact of individual risk exposures on the whole account.

The Group monitors and controls exposures to all material types of aggregation risk, including natural catastrophe and man-made perils. For the most material natural catastrophe perils such as windstorm, flood and earthquake, the Group uses the AIR catastrophe model to quantify and manage exposures. Reinsurance is purchased to ensure that the Group's net exposure to aggregating events is within risk appetite. A range of stress and scenario tests are also run during the year to examine the exposure to specific types of events.

C Risk profile - continued

C2 Insurance risk

C2.2 Reinsurance risk

Treaty reinsurance is purchased to proactively manage the volatility inherent in the business. The Group seeks to balance cost versus protection through outward reinsurance treaty protections.

Reinsurance is used to protect the business against large individual risk losses as well as against catastrophe accumulations of risk. Both proportional and non-proportional reinsurances are employed. Facultative reinsurance may also be used in certain predetermined circumstances for individual risks.

The erosion and ongoing adequacy of the reinsurance programme as well as the reinsurance credit risk are actively monitored.

C2.3 Reserve risk

Reserve risk is associated with liabilities the Group has from insurance policies issued in the past. This is the risk that technical provisions and related claims handling reserves will be materially inadequate relative to the ultimate cost of settlement.

Reserves for business underwritten in the past are established through detailed actuarial studies of the Group's insurance liabilities. These studies are subject to extensive management review and discussion by the Group's Reserve Committee and Audit Committee. The Group sets its reserves using a variety of established methodologies for all claims liabilities, reported and unreported. Where necessary, policies or parts of the portfolio that give rise to uncertainty are segmented and analysed separately as part of the reserving process. The drivers of underlying changes in estimates of reserves are identified and analysed. For the current accident year, additional sources of uncertainty, such as changes in pricing levels, catastrophe claims, significant external events, or the mix of business underwritten, are explicitly considered when setting reserves. To monitor the adequacy of previously established reserves, claims experience is reviewed each quarter to identify any deviations against expectations.

Critical to the reserve setting process is the assumption that the past claims development experience can be used to predict the future claims development, and hence the ultimate cost of claims. Triangulation statistics that show the historical development of premiums and claims for each class of business and underwriting year are used to assist in the process of determining reserves. Numerous other factors and assumptions are applied to the claims historical progression data to assist in setting these estimates. The factors include changes over time to the business mix and method of acceptance within each class of business, rating and conditions, legislation and court awards, claims inflation, and economic conditions. By its nature, the process involves a significant amount of judgement, although every effort is made to ensure that the process and resultant reserves are set on a best estimate basis and will be sufficient to meet the cost of claims when they are finally settled.

There is uncertainty in the reserve established, which may ultimately prove to be more or less than adequate. The level of uncertainty varies between classes of business and generally increases for longer tail classes of business. Any change in the estimate of a reserve, or a settlement at a value other than the reserve provided, is recognised in the reporting period in which the change is identified. Given the significant uncertainty in the best estimate reserve established, the booked reserve in GAAP also includes an additional management margin for prudence. This margin increases the probability that the booked claim reserves will prove adequate. The margin amount is set by the Board and reflects both the degree of uncertainty around the actuarial best estimate and the reserve risk appetite of the Group.

Sensitivity testing is carried out around the key assumptions to assess the extent to which uncertainty in those assumptions leads to uncertainty in the projected capital requirement. A 5% increase in the existing net earned reserves would lead to a 2.1 percentage point increase in the SCR. The Group's exposure to long-tailed classes of business makes loss inflation a key driver of underwriting performance and reserve volumes. For example a scenario in which loss inflation during the next year is 1 percentage point higher than that currently anticipated in reserve projections. This scenario leads to a decrease in pre-tax profit of £13 million, and a 0.4% SCR increase.

C Risk profile - continued

C3 Financial Risk

C3.1 Market risk

Market risks are principally related to the Group's investment activity, notably its holding of debt and other fixed income investments. Within this area, the primary risks to which the Group is exposed are currency risk and interest rate risk.

The Group manages these exposures through its Investment Group. The Group is responsible for establishing and maintaining an Investment Policy in line with the risk appetite of the Group. In addition, the Group is responsible for the management of all investment asset risks, the selection of its investment managers (subject to Board approval) and reviewing investment performance.

The Investment Management Function is outsourced to an external fund manager. The Group has an Investment Policy which outlines preference to invest primarily in listed debt, other fixed income securities and cash. The policy also stipulates that cash should only be held to meet known and potentially unanticipated cash requirements. Surplus cash should be placed in suitable investments in appropriate listed debt and other fixed income securities.

An investment management agreement has been established with the Group's external fund manager. The agreement includes specific guidelines for each individual portfolio to limit risks arising from duration, currency, liquidity, credit, and concentration exposures. The agreement also limits concentration of exposures to economic sectors and individual securities, provides for minimum standards of creditworthiness and aligned to the Group's Investment Policy. The external fund manager provides quarterly affirmation of compliance with these guidelines. There are no material concentrations in asset holdings. Additionally, there are no material concentrations across risk categories.

C3.1.1 Market risk - Currency risk

The Group is primarily exposed to currency risk in respect of assets and liabilities relating to insurance policies denominated in currencies other than Pounds Sterling. The Group looks to maintain an appropriate currency match of assets and liabilities with surplus funds in its investment portfolio being held in line with the currency profile policy for surplus investments.

Given the net asset position at year end, a 10% strengthening of Pounds Sterling against the Euro and then separately against all other currencies (primarily the Danish Kroner, US dollar and Australian dollar) would result in the following impacts:

	Euro only		All currencies	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Impact on profit and loss account				
Foreign exchange (gain)/loss	(968)	(251)	16,792	17,846
Tax effect from foreign exchange (gain)/loss	242	63	(4,198)	(4,462)
<hr/>				
Total impact on capital and reserves	(726)	(188)	12,594	13,384

C Risk profile - continued

C3 Financial Risk - continued

C3.1.2 Market risk - Interest Rate risk

The Group's exposure to interest rate risk is mainly through its investments in debt and other fixed income securities due to instrument duration and the associated duration of the liabilities arising from insurance activities. The investment portfolio is managed based on the characteristics of the underlying liabilities and the alignment of the duration of the investment portfolio to the duration of the liabilities.

Investment risk includes the impact of market volatility on asset values associated with interest rate volatility.

The investment portfolio is periodically analysed for changes in duration and related price change risk. The evaluation is performed by applying an instantaneous change in yield rates of varying magnitude on a static balance sheet to determine the effect such a change in rates would have on the fair value at risk and the resulting effect on shareholder's funds.

To illustrate the downside risk within the debt and other fixed income securities portfolio, the impact of an increase of 100 basis points in interest yields across all portfolios simultaneously (principally Pounds Sterling, Euro, and US dollars) has been estimated. The Group does not hedge interest rate risk and, assuming this continues and that all other variables remain constant, such an increase would decrease the market value of the investment portfolio and lead to a decrease in the total investment return of £55.2 million and accordingly decrease total shareholder's funds by £41.4 million.

The impact on interest rate risk is partially hedged as durations of the assets held by the Group are informed by the durations of the liabilities.

On the basis that all other variables remain constant, a decrease of 100 basis points in interest rates at 31 December 2025 would have had an equal and opposite effect to the amounts shown above.

C Risk profile - continued

C3.2 Credit risk

Credit risk is the risk of loss if a counterparty fails to meet its contractual obligations, resulting in a financial loss to the Group. The Group is exposed to credit risk primarily through its investment and insurance activities.

The Group has exposure to bond default risk, which is the risk that an issuer of a bond may be unable to make timely principal and interest payments. The exposure to credit risk, from its holding of debt and other fixed income securities, is managed by adherence to the Group's investment guidelines which detail minimum issuer credit quality, duration limits, and the maximum value of individual holdings. The average AM Best credit rating of the Group's debt and other fixed income securities at 31 December 2025 was "A" (2024: "A").

The Group is also exposed to credit risk from its regular insurance and reinsurance activity. The areas of key exposure are the reinsurers' share of claims outstanding and debtors arising out of direct and reinsurance operations from both policyholders and intermediaries. Ceded reinsurance is used to mitigate risks arising from inwards business. Ceded reinsurance does not discharge the Group's liability as primary insurer. If a ceded reinsurer fails to pay a claim, the Group remains liable for the payment to the policyholder. Reinsurance coverages are normally placed with reinsurers who are included on the approved reinsurance security listing used by the Group. Generally, these reinsurers will have a Standard & Poor's credit rating of "A" or better. For direct insurance and reinsurance debtors, the Group operates processes to review broker security and to monitor arrangements with managing general agents. Debtors consist of payments of premium due from policyholders, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of policyholders.

The Group does not have significant credit risk exposure to any single counterparty or any group of counterparties. The credit risk on liquid funds is limited because the counterparties are financial institutions with high credit ratings assigned by international credit ratings agencies.

Other financial investments are designated at fair value through profit or loss at inception, and their performance is evaluated on a fair value basis, in accordance with a documented investment strategy.

Reinsurers' share of claims outstanding includes a £1.3 million (2024: £1.1 million) provision for impairment. Debtors arising out of direct and reinsurance operations includes a £1.5 million (2024: £1.7 million) provision for impairment which represents 13.2% (2024: 13.6%) of the total past due amount.

Sensitivity testing is carried out around the key assumptions of reinsurer downgrade and default. This allows the Group to understand the effect of stressed conditions with respect to reinsurers. If all reinsurers were downgraded to a BBB Standard & Poor's ("S&P") credit rating, this would lead to an increase in the SCR of £7.6 million (1.7%) at 31 December 2025.

C3.3 Liquidity risk

Liquidity risk is the risk that cash may not be available, or that assets cannot be liquidated at a reasonable price, to pay obligations when they fall due. The Group is exposed to daily calls on its available cash resources, mainly from claims arising through insurance and reinsurance contracts.

The Group manages this risk by structuring its working capital to ensure that there are available cash resources or sufficiently liquid investments to meet expected cash flow requirements. The Group's investment guidelines are structured to ensure that investments can be liquidated at short notice to meet higher levels of demand in exceptional circumstances.

There are no significant concentrations of liabilities that would result in a concentrated cash outflow or any significant concentration of assets that may result in restrictions in liquidating at short notice.

Liquidity stress tests are performed to test the sources of funds in the event of an unexpected liquidity event. The test showed that the Group has sufficient liquid funds to pay for a 1-in-200 year loss event within three months of the event. Liquid funds and cash flow forecasts are monitored regularly to ensure that the need for sufficient liquidity is balanced against investment return objectives.

The total amount of the expected profit included in future premiums is nil.

C Risk profile - continued

C4 Operational risk

Operational risk arises from the risk of losses due to inadequate or failed internal processes, people, systems, service providers or from external events. Risks include those from information security (including cyber) and technology, legal and regulatory, financial reporting and financial crime as well as those from operations, outsourcing and change. The Group has effective business processes (including business continuity and resilience plans) and relevant internal controls to substantially mitigate operational risk, including a business continuity plan and IT disaster recovery plan.

The Group maintains a comprehensive register of all risks including operational risks, which builds upon the Group's risk taxonomy. The Risk Function facilitates a quarterly Risk and Control Self-Assessment with Risk Owners, to identify and assess the highest rated risks, and an annual refresh that assesses all risks in the register. The Risk Function reports on key risks at the Risk Committee quarterly.

The RMF includes a risk event reporting process. Risk Events are assessed, with support of the Risk Function, and logged by Risk or Control Owners who are also responsible for assessing the nature and quantum of actual or potential losses, and/or regulatory / legal, reputational /customer and operational efficiency / backlog impact, as well as root cause(s). Control weaknesses/failings identified are considered when quantifying risk unless remedial action has been completed and been shown to be effective. Risk Event reporting is provided quarterly to the Risk Committee. The Group assesses potential operational loss events in stressed conditions through business continuity scenarios.

The Group also arranges Corporate Insurances to help protect against specific types of operational loss.

C4.1 Operational Resilience

Operational Resilience is the ability of an organisation to prevent, adapt, respond to, recover, and learn from operational disruptions. The Group has established a comprehensive Operational Resilience Framework aligned to the RMF.

The Group has an effective RMF in place to manage operational risks that is integrated into our organisational structures and decision-making processes and Operational Resilience is an outcome that benefits from the effective management of operational risks.

C4.2 Third Party Risk Management

Aligned to the Operational Resilience Framework and the RMF, the Group has implemented a Third-Party Risk Management program to ensure that the business is able to effectively manage its use of third parties.

Assessments on third-party service providers are performed at the outset of a new service as well as periodically throughout the relationship and these activities help relationship owners to understand risk related to the reliance on third party service providers.

C4.3 IT Security & Data

The Group has an established Information Security and Technology Risk Management Policy in place that provides a framework for managing information and sets out the appropriate measures in place to protect critical business operations, personnel, and information assets. This framework is the foundation for information security practices across the Group and establishes the requirement that appropriate administrative, technical, and physical safeguards are in place and operating effectively to ensure the security of business and financial information and systems.

C Risk profile - continued

C5 Other material risks

C.5.1 Emerging risk

Emerging risks are newly developing or changing risks which are difficult to quantify, that could impact the Group's ability to achieve its strategic objectives. Emerging risks can be new risks or evolving familiar risks.

Proactively researching and discussing these risks allows the Group to reduce its exposure to these risks, develop strategies to protect the business and leverage these risks into commercial opportunities.

A framework is in place to identify, assess, mitigate, and monitor emerging risks via a working group of stakeholders across Risk, Claims, Risk Control, Exposure & Catastrophe Management and Underwriting.

Emerging risks are assessed on their velocity and potential impact on the Group's strategy, focusing on potential mitigation actions and recorded in an Emerging Risk Register categorised using the PESTLE (Political, Economic, Social, Technological, Legal and Environmental) framework.

The Risk Function performs a biannual review of emerging risks to identify and assess emerging risks / trends based on their relevance and potential impact on the Group. The Risk Function reviews industry reports to identify emerging trends in the market. These insights are then supplemented with input from external SMEs (e.g. consulting firms), and internal business stakeholders through a series of workshops.

Following the biannual review, any agreed mitigating actions are monitored to completion. In certain circumstances, scenario testing of selected emerging risks may be performed as part of the ORSA process.

The Risk Committee receives regular updates on material changes and mitigating actions in respect of these identified emerging risks and the ESG Steering Committee regularly reports to the Risk Committee on climate change matters.

D Valuation for solvency purposes

D1 Valuation of assets

Analysis of assets

Group

2025	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Deferred acquisition costs	46,017	(46,017)	-
Deferred tax assets	17,602	(11,347)	6,255
Pension benefit surplus	9,838	-	9,838
Property, plant & equipment held for own use	776	2,977	3,753
Investments	1,742,151	21,780	1,763,931
Reinsurance technical provisions	273,160	(49,017)	224,143
Insurance and intermediaries receivables	183,289	(166,811)	16,478
Reinsurance receivables	16,885	-	16,885
Cash	42,984	-	42,984
Any other assets, not elsewhere shown	27,547	(22,387)	5,160
Total assets	2,360,249	(270,822)	2,089,427

2024	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Deferred acquisition costs	40,794	(40,794)	-
Deferred tax assets	12,458	(4,346)	8,112
Pension benefit surplus	12,485	-	12,485
Property, plant & equipment held for own use	262	1,519	1,781
Investments	1,546,358	16,615	1,562,973
Reinsurance technical provisions	240,342	(60,895)	179,447
Insurance and intermediaries receivables	192,443	(174,404)	18,039
Reinsurance receivables	16,527	-	16,527
Cash	63,316	-	63,316
Any other assets, not elsewhere shown	19,437	(11,024)	8,413
Total assets	2,144,422	(273,329)	1,871,093

D Valuation for solvency purposes - continued

D1 Valuation of assets - continued

CICL

2025	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Deferred acquisition costs	26,693	(26,693)	-
Pension benefit surplus	9,838	-	9,838
Property, plant & equipment held for own use	-	-	-
Investments	1,228,777	85,375	1,314,152
Reinsurance technical provisions	151,887	(1,040)	150,847
Insurance and intermediaries receivables	109,445	(99,467)	9,978
Reinsurance receivables	15,335	-	15,335
Cash	13,853	-	13,853
Any other assets, not elsewhere shown	17,594	(13,157)	4,437
Total assets	1,573,422	(54,982)	1,518,440

2024	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Deferred acquisition costs	25,742	(25,742)	-
Pension benefit surplus	12,485	-	12,485
Property, plant & equipment held for own use	-	7	7
Investments	1,116,871	50,255	1,167,126
Reinsurance technical provisions	146,586	(13,496)	133,090
Insurance and intermediaries receivables	125,902	(114,281)	11,621
Reinsurance receivables	15,179	-	15,179
Cash	30,587	-	30,587
Any other assets, not elsewhere shown	4,341	(3,731)	610
Total assets	1,477,693	(106,988)	1,370,705

D Valuation for solvency purposes - continued

D1 Valuation of assets - continued

Unless otherwise stated, assets are valued in accordance with UK GAAP. The recognition and valuation basis applied to each material class of assets, including assumptions and judgements where applicable, are described below. Where applicable, material differences between the valuation basis used in the financial statements and that used on a Solvency II basis, are set out below.

Intangible assets and property, plant and equipment held for own use

On a UK GAAP basis, intangible assets and property, plant and equipment held for own use are stated at cost net of amortisation or depreciation and any provision for impairment. Amortisation or depreciation is provided at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life. These assets have been recorded at fair value in the Group's Solvency II balance sheet in accordance with the relevant Solvency II guidelines.

Under International Financial Reporting Standards ("IFRS") 16 – leases, leased properties are recognised on the Solvency II balance sheet in property, plant and equipment held for own use. For Solvency II the right-of-use asset is valued by discounting market rent at the relevant property yield. The base property investment yield benchmarks reflect the required return investors seek for freehold or long leasehold interest in a property based on their perception of risks associated with the asset and/or location. Adjustments to property yields are made to reflect the marketability and associated risks of shorter-term leases in addition to accounting for the differences in contract rents and market rent. It is expected that the calculation of Solvency II discount rates for lease assets and liabilities will be performed annually, with changes to the rates for quarterly reporting required if there were indication that either market property yields or market rents have moved materially.

Deferred tax assets

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are not discounted.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the statement of balance sheet date.

Deferred tax assets valued on a Solvency II basis differ to the value in the financial statements due to the recognition of deferred taxes in respect of the valuation difference between total net assets.

D Valuation for solvency purposes - continued

D1 Valuation of assets - continued

The origin of the recognition of deferred tax assets (net of deferred tax liabilities) is as follows:

Group

	Provided	Provided
	2025	2024
	£'000	£'000
Short-term timing differences	453	538
Decelerated capital allowances	143	169
Difference between Solvency II and GAAP basis net assets	(25,695)	(33,550)
Net deferred tax liability	(25,099)	(32,843)

CICL

	Provided	Provided
	2025	2024
	£'000	£'000
Short-term timing differences	453	538
Decelerated capital allowances	143	169
Difference between Solvency II and GAAP basis net assets	(19,997)	(20,240)
Deferred tax liability	(19,401)	(19,533)

There were no unrecognised deferred tax assets as at 31 December 2025 (2024: £nil).

D Valuation for solvency purposes - continued

D1 Valuation of assets - continued

Pension benefit surplus

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of related deferred tax, is presented separately after other net assets on the face of the balance sheet. There are no differences in valuation between UK GAAP and Solvency II.

Investments

The Group designates financial assets upon initial recognition as “fair value through profit and loss” on the basis that the Group manages and evaluates the performance of its investment portfolio on a fair value basis in accordance with its investment strategy.

Financial assets are initially recognised at fair value with any transaction costs being expensed through the profit and loss account. For quoted investments where there is an active market, the fair value is the quoted bid price at the balance sheet date. For quoted investments where there is no active market, the fair value is determined by reference to prices for similar assets in active markets.

The investment in CICE is held at the UK GAAP value for the statutory accounts of CICL and at the Solvency II excess of assets over liabilities value for the Solvency II balance sheet.

Insurance receivables, reinsurance receivables and technical provisions

Refer to section D2.

Cash and cash equivalents

Cash and cash equivalents represent cash balances, money market deposits lodged with banks and other highly liquid investments with original maturity of less than three months and are recognised at fair value.

Any other assets, not elsewhere shown

Other assets include prepayments, amounts due from group companies and amounts due in respect of taxation and are recognised at fair value, determined as the amortised cost of the balance receivable. All balances are considered current and fully recoverable in the next 12 months.

D Valuation for solvency purposes - continued

D2 Valuation of technical provisions

Analysis of technical provisions by Solvency II class

Group

	Net best estimate £'000	Risk margin £'000	Total £'000
2025			
Medical expense insurance	(170)	-	(170)
Marine, aviation and transport insurance	59,245	3,938	63,183
Fire and other damage to property insurance	16,682	1,109	17,791
General liability insurance	812,447	53,675	866,122
Credit and suretyship insurance	-	1	1
Legal expenses insurance	(1,026)	43	(983)
Assistance	34	2	36
Miscellaneous financial loss	14,505	964	15,469
Non-proportional marine, aviation and transport reinsurance	(3,020)	1	(3,019)
Total	898,698	59,733	958,430
	Net best estimate £'000	Risk margin £'000	Total £'000
2024			
Medical expense insurance	430	-	430
Marine, aviation and transport insurance	62,316	4,825	67,141
Fire and other damage to property insurance	14,912	1,155	16,067
General liability insurance	714,198	55,312	769,510
Credit and suretyship insurance	(67)	1	(66)
Legal expenses insurance	390	33	423
Assistance	9	1	10
Miscellaneous financial loss	11,003	852	11,855
Non-proportional marine, aviation and transport reinsurance	(85)	1	(84)
Total	803,106	62,180	865,286

D Valuation for solvency purposes - continued

D2 Valuation of technical provisions - continued

Analysis of technical provisions by Solvency II class - continued

CICL

	Net best estimate £'000	Risk margin £'000	Total £'000
2025			
Medical expense insurance	(166)	1	(165)
Marine, aviation and transport insurance	33,723	444	34,167
Fire and other damage to property insurance	14,594	618	15,212
General liability insurance	427,026	25,466	452,492
Credit and suretyship insurance	-	1	1
Legal expenses insurance	(1,002)	43	(959)
Assistance	33	1	34
Miscellaneous financial loss	12,038	4,672	16,710
Non-proportional marine, aviation and transport reinsurance	(2,993)	1	(2,992)
Total	483,253	31,247	514,500
	Net best estimate £'000	Risk margin £'000	Total £'000
2024			
Medical expense insurance	439	36	475
Marine, aviation and transport insurance	37,705	3,118	40,823
Fire and other damage to property insurance	15,082	1,247	16,329
General liability insurance	391,042	32,332	423,374
Credit and suretyship insurance	(68)	1	(67)
Legal expenses insurance	398	33	431
Assistance	9	1	10
Miscellaneous financial loss	7,687	636	8,323
Non-proportional marine, aviation and transport reinsurance	(109)	1	(108)
Total	452,185	37,405	489,590

D Valuation for solvency purposes - continued

D2 Valuation of technical provisions - continued

Analysis of technical provisions by Solvency II class - continued

Basis, method and assumptions for determining technical provisions

There were no material changes to the methodology for determining technical provisions since the prior period.

The Group's Solvency II basis technical provisions consist of net best estimate claims and premiums provision plus a risk margin. These claims and premium provisions make allowance for future claims, premiums and expenses on a cashflow basis.

Net best estimate claims provision for future claims

Net best estimate claim provisions for future claims are consistent with the technical provisions as reported in the financial statements, excluding management margin. The quarterly reserve process is designed to allow the selection of a point estimate of reserves, intended to represent a best estimate of the mathematical expected value of the distribution of reasonably foreseeable outcomes of the unpaid liabilities. No margins for optimism or prudence are intended to be reflected in the best estimate selections. These provisions consist of claims reported but not settled ("RBNS") and claims incurred but not reported ("IBNR").

Provision is made for claims outstanding and settlement expenses incurred at the balance sheet date, including an estimate for the cost of claims IBNR at that date. Included in the provision is an estimate of the internal and external costs of handling the claims outstanding. Allowance is made within the IBNR provisions for estimated salvage and other recoveries if there is a historical trend which indicates this is a feature of the class of business in question.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where there is more available information about the claim event. In calculating IBNR the Group uses a variety of estimation techniques. These are largely based on actuarial analysis of historical experience, which assumes the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics, or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including:

- changes in Group processes which might accelerate or slow down the development and/or recording of paid or incurred claims compared with the statistics from previous periods;
- changes in the legal environment;
- the effects of inflation;
- changes in the mix of business;
- the impact of large losses, including catastrophes; and
- movements in industry benchmarks.

Large and catastrophe claims are assessed separately by each business class, being measured on a case by case basis, to allow for the possible distortive impact of the development and incidence of these claims.

When calculating the provision for claims outstanding, the Group selects an estimation technique taking into account the individual characteristics of each business class.

D Valuation for solvency purposes - continued

D2 Valuation of technical provisions - continued

Analysis of technical provisions by Solvency II class - continued

Basis, method and assumptions for determining technical provisions – continued

Adjustments for SII basis

To determine technical provisions on a Solvency II basis the Group then makes adjustments for the following items, including allowance for unearned future claims and future premium cashflows:

- i. Profit in unearned premiums: An allowance for premiums incepted but unearned at the balance sheet date less expected claims using actuarially determined loss ratios which are estimated as part of the quarterly reserve reviews.
- ii. Future premiums: An allowance for expected future cash receipts related to premiums incepted but unsettled at the balance sheet date.
- iii. Allowance for inwards and outwards unaccepted legally obliged business: The Group includes an allowance for legally bound but unaccepted premiums at the balance sheet date, including business which renews on a tacit basis, less the estimate of expected claims related these premiums.
- iv. Allowance for future reinsurance purchases: An allowance for future reinsurance purchases which will be required to support the reinsurance recovery assumptions applied to gross written premiums.
- v. Allowance for future expenses: An allowance for future expenses related to incepted and unaccepted business including bad debt expenses, unallocated loss adjustment expenses, investment management expenses and other administrative costs.
- vi. Allowance for events not in data (“ENIDs”): An allowance is made for extreme events that cannot be projected using historical data. ENIDs are allowed for to ensure that the Solvency II Technical Provisions reflect the mean of the full probability distribution of possible outcomes, including those which are not observed in historical data.
- vii. Allowance for unpaid paid claims: An allowance is made for claims which are recorded as paid claims but the cash has not yet been received.
- viii. Discounting credit: Allowance to adjust for the time value of money. This is calculated using payment patterns derived during the reserving process.
- ix. Risk margin: The Solvency II basis technical provisions include a risk margin which ensures that the value of the technical provisions is equivalent to the amount insurers would be expected to require in order to take over and meet the Group’s insurance obligations. The risk margin is calculated as the sum of the present values of the cost of providing an amount of eligible own funds equal to the SCR necessary to support the insurance obligations over their lifetime.

D Valuation for solvency purposes - continued

D3 Other liabilities

Analysis of liabilities

Group

2025	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Technical provisions	1,522,692	(399,851)	1,122,841
Risk margin	-	59,733	59,733
Deferred tax liabilities	-	31,354	31,354
Financial liabilities owed to credit institutions	-	3,863	3,863
Insurance & intermediaries payables	49,525	-	49,525
Reinsurance payables	49,256	(49,256)	-
Payables (trade, not insurance)	2,114	-	2,114
Any other liabilities, not elsewhere shown	18,173	10,825	28,998
Reinsurers' share of deferred acquisition costs	11,823	(11,823)	-
Total liabilities	1,653,583	(355,155)	1,298,428

2024	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Technical provisions	1,383,920	(401,367)	982,553
Risk margin	-	62,180	62,180
Deferred tax liabilities	-	40,955	40,955
Debts owed to credit institutions	-	1,829	1,829
Insurance & intermediaries payables	37,003	-	37,003
Reinsurance payables	70,668	(70,668)	-
Payables (trade, not insurance)	1,962	-	1,962
Any other liabilities, not elsewhere shown	40,641	6,394	47,035
Reinsurers' share of deferred acquisition costs	802	(802)	-
Total liabilities	1,534,996	(361,479)	1,173,517

D Valuation for solvency purposes - continued

D3 Other liabilities - continued

Analysis of liabilities - continued

CICL

2025	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Technical provisions	832,286	(198,186)	634,100
Risk margin	-	31,247	31,247
Financial liabilities other than debts owed to credit institutions	-	-	-
Insurance & intermediaries payables	29,514	-	29,514
Reinsurance payables	26,346	(26,346)	-
Payables (trade, not insurance)	398	-	398
Deferred tax liability (net)	1,251	18,150	19,401
Any other liabilities, not elsewhere shown	24,837	(1)	24,836
Reinsurers' share of deferred acquisition costs	969	(969)	-
Total liabilities	915,601	(176,105)	739,496

2024	Solvency II valuation		Solvency II £'000
	GAAP £'000	adjustments £'000	
Technical provisions	796,815	(211,540)	585,275
Risk margin	-	37,405	37,405
Financial liabilities other than debts owed to credit institutions	-	12	12
Insurance & intermediaries payables	22,801	-	22,801
Reinsurance payables	49,287	(49,287)	-
Payables (trade, not insurance)	1,283	-	1,283
Deferred tax assets	1,891	17,642	19,533
Any other liabilities, not elsewhere shown	14,001	6,712	20,713
Reinsurers' share of deferred acquisition costs	1,027	(1,027)	-
Total liabilities	887,105	(200,083)	687,022

D Valuation for solvency purposes - continued

D3 Other liabilities - continued

Analysis of liabilities - continued

Unless otherwise stated, liabilities are valued in accordance with UK GAAP. The recognition and valuation basis applied to each major class of liabilities, including assumptions and judgements where applicable, are described below. Where applicable, material differences between the valuation basis used in the financial statements and that used on a Solvency II basis, are set out below. There were no significant changes to the recognition and valuation bases during the period.

Technical provisions – best estimate and risk margin

Refer to section D2.

Pension benefit obligations

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of related deferred tax, is presented separately after other net assets on the face of the balance sheet.

Deferred tax liabilities

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not discounted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the statement of balance sheet date.

Insurance and intermediaries payables

Insurance and intermediaries payables consist of amounts due to brokers in respect of commissions.

Financial liabilities other than debts owed to credit institutions

As at 31 December 2025, £3.9 million (2024: £1.8 million) of lease liabilities are recognised on the Solvency II Balance sheet. For Solvency II reporting, lease liabilities are valued by discounting actual rent at the relevant property yield. In the absence of quoted market prices for the same or similar assets, alternative valuation methods are allowed.

Any other liabilities, not elsewhere shown

Other liabilities include administration expense accruals, tax liabilities, insurance premium tax payables and amounts owed to related companies and are recognised at fair value.

Contingent liabilities

Institute of London Underwriters (“ILU”)

Following the merger of the ILU and the London Insurance & Reinsurance Market Association to form the International Underwriting Association of London, the Company resigned its membership of the ILU on 31 December 1998. The Company had to establish a fund of £1,048,780 by way of an irrevocable letter of credit in order to meet the ILU’s expected shortfall of income from the period 1999 until further notice. At 31 December 2025 the amount remaining on the letter of credit after draw downs was £291k (2024: £295k).

Funds deposited with Lloyd’s of London

Acting as a third party depositor under a trust deed executed on 20 January 2020, the Company deposited £38k (2024: £37k) in bonds with Lloyd’s as security for the underwriting activities of HUL. Fees of 3.85% (2024: 3.85%) per annum are attributable to this security and were earned by the Company on a quarterly basis. The funds pledged as Funds at Lloyd’s for Lloyd’s are ineligible for the purposes of calculating the Company’s capital available to meet regulatory requirements.

D Valuation for solvency purposes - continued

D3 Other liabilities - continued

Employee benefits

CICL operates two defined benefit schemes in the United Kingdom, Scheme A and Scheme B.

The Group is aware of a UK High Court legal ruling in June 2023 between Virgin Media Limited and NTL Pension Trustees II Limited, which decided that certain historic rule amendments were invalid if they were not accompanied by actuarial certifications. Since this date, the Pension Schemes Bill 2025 (“the Bill”) has been published, which once enacted will enable the trustees to obtain retrospective confirmation in certain circumstances. The Company expects no material adjustment to the defined benefit obligations as a result of the High Court ruling and the Bill.

The net pension asset of the two schemes is summarised below:

	2025 £'000	2024 £'000
Net pension asset of Scheme A	5,541	7,794
Net pension asset of Scheme B	2,449	2,092
Net pension asset	7,990	9,886

Scheme A – CNA Pension Plan for UK Employees

Composition of the scheme

The Group sponsors a funded defined benefit pension plan (“the Plan”) for qualifying UK employees. The Plan is administered by a separate board of Trustees which is legally separate from the Group. The Trustees are composed of representatives of both the Group and the members of the Plan. The Trustees are required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy with regard to the assets plus the day to day administration of the benefits.

Under the Plan, members are entitled to annual pensions on retirement at normal retirement age (typically age 60 or age 65) of one-sixtieth of final pensionable salary for each year of service. Pensionable salary is defined as basic salary (plus for certain members in certain circumstances any bonuses declared to be pensionable). Benefits are also payable on death and following other events such as early retirement or withdrawing from active service.

The Plan was closed to new members with effect from 1 May 2002. New employees from that date may be eligible to participate in a defined contribution pension plan.

With effect from 30 September 2014 all active members became deferred pensioners following the curtailment of the Plan and the subsequent transfer of their employment from the Group to CNA Services.

D Valuation for solvency purposes - continued

D3 Other liabilities - continued

Scheme A – CNA Pension Plan for UK Employees - continued

Composition of the scheme - continued

The Plan assets are invested in the following asset classes:

	Fair value 2025 £'000	Of which not quoted in active market 2025 £'000	Fair value 2024 £'000	Of which not quoted in active market 2024 £'000
Gilts and bonds	47,313	-	49,269	-
Insured annuity asset	33	33	34	34
Cash	1,626	-	952	-
Total	48,972	33	50,255	34

The amounts recognised on the balance sheets are set out below:

	2025 £'000	2024 £'000
Fair value of Plan assets	48,972	50,255
Present value of funded defined benefit obligation	(41,584)	(39,863)
Assets recognised on the balance sheet	7,388	10,392
Related deferred tax liability	(1,847)	(2,598)
Net pension asset	5,541	7,794

Scheme B – The CNA Re Management Company Limited (“CNA Re”) Retirement Benefits Plan

In 2002 CCC sold its subsidiary undertaking CNA Re to Tawa Plc (formerly Tawa UK Limited). By virtue of a letter dated 3 November 2005, and pursuant to Clause 12.1 of the Share Purchase Agreement between CCC and Tawa Plc dated 15 July 2002, CCC provided an indemnity in favour of CNAE in respect of obligations which CNAE assumed as Principal Employer of the Plan.

By virtue of a Deed of Substitution of Principal Employer effective 10 July 2008, the Group replaced Group as Principal Employer of the Plan. CCC has agreed to provide an indemnity in favour of the Group.

D Valuation for solvency purposes - continued

D3 Other liabilities - continued

Scheme B – The CNA Re Management Company Limited (“CNA Re”) Retirement Benefits Plan - continued

Composition of the scheme

The Group currently operates a Defined Benefits Plan, the CNA Re Management Company Limited Retirement Benefits Plan (1977) (“the 1977 Plan”). The benefits provided by the 1977 Plan are final salary defined benefits with the contributions paid by the sponsor on a balance of cost basis. The 1977 Plan is run by the Trustees who ensure that the 1977 Plan is run in accordance with the Trust Deed and Rules of the 1977 Plan and complies with legislation. The Trustees are required by law to fund the 1977 Plan on prudent funding assumptions under the Trust Deed and Rules of the 1977 Plan. The contributions payable by the sponsor to fund the 1977 Plan are set by the Trustees after consulting the sponsor.

The 1977 Plan closed for all accruals on 31 October 2002.

The assets of the 1977 Plan are mainly invested in diversified growth funds, gilt and corporate bond managed funds with Legal & General Assurance (Pensions Management) Limited. Upon reaching retirement an annuity is purchased from a third party provider in the name of the member. No pensions are paid to pensioners directly from the fund.

The 1977 Plan assets are invested in the following asset classes:

	Fair value 2025 £'000	Of which not quoted in active market 2025 £'000	Fair value 2024 £'000	Of which not quoted in active market 2024 £'000
Gilts and bonds	10,980	-	10,812	-
Cash	104	-	112	-
Total	11,084	-	10,924	-

The amounts recognised on the balance sheet are set out below:

	2025 £'000	2024 £'000
Fair value of 1977 Plan assets	11,084	10,924
Present value of funded defined benefit obligation	(8,635)	(8,832)
Net pension asset	2,449	2,092

E Capital management

E1 Own funds

E1.1 Objectives, policy and process for managing own funds

In managing its capital base, the Group aims to:

- Meet all relevant regulatory requirements relating to capital resources and capital requirements.
- Maintain capital and financial strength to support the necessary rating agency criteria with the goal of achieving stand-alone ratings equivalent to that of the group.
- Maintain capital in line with the Capital Risk Appetite where a buffer is to be held above the Solvency II regulatory capital requirements.
- Allocate capital efficiently to support growth by respective branch or business units and repatriate excess capital where possible.
- Retain financial flexibility to ensure that all operational cashflow needs are met by maintaining strong liquidity by currency.
- Match the currency profile of tangible liabilities (net of tangible assets) with invested assets.
- Monitor and manage the quality of own funds by Solvency II Tier.
- Utilise surplus capital effectively across the Group, being that capital in excess of the Board Capital risk appetite.

The Board approves the Group's Capital Risk Appetite annually as part of the Risk Appetite process, set out in the Risk Management Policy. The Group's Capital Risk Appetite is as follows: to hold sufficient capital to remain solvent on an ongoing basis with the ability to withstand a 1 in 200 year event. This is managed by holding a buffer above the Solvency II regulatory capital requirements.

The solvency needs of the Group are set in terms of a Target Capital level which is above the Solvency II regulatory capital requirement. This level of Target Capital is set in order to:

- Meet current regulatory requirements.
- Allow for the effectiveness of risk mitigation, in particular reinsurance.
- Reflect the own risk profile of the Group.
- Allow for any other risks which are not captured in the regulatory assessment.
- Meet capital requirements on a forward looking basis under the base Long Term Plan.
- Ensure policyholder protection on a current and forward looking basis under stressed conditions.

The Group seeks to maintain capital at or above the target level which is the Solvency II Standard Formula plus a buffer.

The Group maintains a Long Term Plan (including four future years) which contains prior year financials and future financial projections including underwriting plans, profit and loss statements, balance sheets (on UK GAAP and Solvency II bases), capital requirements, solvency position and quality of own funds.

The Long Term Plan is owned and maintained by the Chief Financial Officer ("CFO") and approved by the Board at least annually. The projected solvency is monitored against regulatory capital requirements and against the Board agreed Capital Risk Appetite. The Long Term Plan is updated annually as part of the ORSA process, taking into account current and future strategy. The plan is also updated following any material internal or external changes.

The current and future solvency of the Group is reviewed based on the Long Term Plan projections, taking into account current and future tiering of assets.

The Group excess capital position (being capital above the individual entity Target Capital Levels) is reviewed over the Long Term Planning horizon. If there is insufficient capital at a combined level then the Long Term Plan and strategy is reviewed and appropriate communication held with Group to determine if changes to the plan are made or additional capital provided. If solvency cannot be returned above the target capital level then the capital contingency plan is activated.

E Capital management - continued

E1 Own funds - continued

E1.2 Structure, amount and quality of own funds

The Group classifies own fund items at issue and annually according to the three tiers of capital as set out under Solvency II. A review is conducted annually to ensure that any contractual terms governing the tiering of assets are clear. The own funds are monitored against any agreements, connected transactions or consequences arising from the group structure that could impact their efficiency as capital. Any actions required to ensure the quality of an own fund item are identified and monitored by the CFO. The Group does not currently hold any ancillary own funds. If ancillary own funds were to be proposed, then arrangements would be put in place so that they could be called in a timely manner when necessary. The identification of any arrangements giving rise to ring fenced funds are monitored and documented by the CFO and considered as part of the medium term capital management plan in the ORSA.

The components of own funds are set out in section E1.5.

E1.3 Significant changes to own funds

There were no significant changes to the type, quality or structure of the Group's own funds during the reporting period.

E1.4 Key elements of the reconciliation reserve

The reconciliation reserve represents the differences in the valuation of assets, technical provisions or other liabilities in the adoption of the Solvency II valuation, as well as retained earnings, including current year results and the legal reserve. The reconciliation reserve is analysed as follows:

Group

	2025	2024
	£'000	£'000
Excess of assets over liabilities	790,999	697,576
Less: Ordinary share capital	(338,370)	(338,370)
Reconciliation reserve	452,629	359,206

CICL

	2025	2024
	£'000	£'000
Excess of assets over liabilities	778,944	683,683
Less: Ordinary share capital	(255,200)	(255,200)
Reconciliation reserve	523,744	428,483

A description of the restricted own funds items is included in section E1.6.

E Capital management - continued

E1 Own funds - continued

E1.5 Eligible own funds

The Group's eligible own funds are analysed as follows:

Group	2025 £'000	2024 £'000
Ordinary share capital	338,370	338,370
Reconciliation reserve	452,629	359,206
Adjustment for restricted own funds	(38)	(37)
Available and eligible own funds	790,961	697,539
Own funds by tier:		
Tier 1 unrestricted	790,961	697,539
Tier 3	-	-
Total	790,961	697,539
Eligible own funds to cover the SCR	790,961	697,539
Eligible basic own funds to cover the MCR	790,961	697,539

E Capital management - continued

E1 Own funds - continued

E1.5 Eligible own funds - continued

CICL

	2025 £'000	2024 £'000
Ordinary share capital	255,200	255,200
Reconciliation reserve	523,744	360,009
Adjustment for restricted own funds	(38)	(36)
Available and eligible own funds	778,906	615,173
Own funds by tier:		
Tier 1 unrestricted	778,906	615,173
Total	778,906	615,173
Eligible own funds to cover the SCR	778,906	615,173
Eligible basic own funds to cover the MCR	778,906	615,173

Tier 3 own funds represent deferred tax assets (see section D1).

E Capital management - continued

E1 Own funds - continued

E1.6 Material differences between Solvency II and GAAP own funds

The Group's accounted capital base (calculated in accordance with UK GAAP) as at 31 December 2025 was £706.7 million (2024: £609.4 million). The primary difference between this basis and eligible own funds to cover the SCR calculated on a Solvency II basis of £791.0 million is £0.1 million of invested assets deposited with Lloyd's of London as security for the underwriting activities of HUL, a fellow group company. This amount has been classified as restricted own funds within Solvency II own funds.

Other differences between own funds calculated on a Solvency II basis and those included in the financial statements relate primarily to the differing basis of the calculation of technical provisions described in section D2.

Reconciliation of excess of assets over liabilities from UK GAAP to Solvency II bases:

Group

	2025 £'000	2024 £'000
Shareholder's funds reported under GAAP	706,666	609,426
Property, plant & equipment held for own use	(886)	(311)
GAAP basis including technical provisions	1,086,349	999,048
Solvency II basis technical provisions	(958,430)	(865,286)
Deferred tax on Solvency II basis	(42,700)	(45,301)
Solvency II excess of assets over liabilities	790,999	697,576

CICL

	2025 £'000	2024 £'000
Shareholder's funds reported under GAAP	657,821	590,588
Property, plant & equipment held for own use	-	7
GAAP basis including technical provisions	653,773	600,320
Solvency II basis technical provisions	(514,500)	(489,590)
Deferred tax on Solvency II basis	(18,150)	(17,642)
Solvency II excess of assets over liabilities	778,944	683,683

E1.7 Deductions from own funds

Refer to section E1.6 for deductions from own funds.

E Capital management - continued

E2 Solvency Capital Requirement and Minimum Capital Requirement

The Group uses the standard formula to calculate the SCR. The SCR and MCR are as follows:

Group	2025 £'000	2024 £'000
MCR	151,293	137,137
SCR	453,178	435,474
Analysis of SCR:		
Non-life underwriting risk	361,800	359,574
Health underwriting risk	33	65
Market risk	147,998	140,911
Counterparty default risk	25,533	26,867
Diversification credit	(97,920)	(95,255)
Operational risk	33,685	29,479
Loss absorbing capacity of deferred taxes	(17,951)	(26,167)
Total	453,178	435,474
CICL		
	2025 £'000	2024 £'000
MCR	86,487	81,945
SCR	345,946	327,781
Analysis of SCR:		
Non-life underwriting risk	238,798	246,401
Health underwriting risk	57	63
Market risk	185,994	162,545
Counterparty default risk	14,987	17,370
Diversification credit	(94,831)	(89,988)
Operational risk	18,892	17,557
Loss absorbing capacity of deferred taxes	(17,951)	(26,167)
Total	345,946	327,781

E Capital management - continued

E2 SCR and MCR - continued

The MCR has been calculated using underlying source data, at the appropriate Solvency II class level, for net written premiums and net technical provisions in accordance with the requirements set out in the European Insurance and Occupational Pensions Authority (“EIOPA”) delegated acts.

The Solvency II SCR does not include any undertaking specific parameters.

The Group’s SCR has increased from £435.5 million to £453.2 million and CICL’s SCR increased from £327.8 million to £345.9 million. The increase in market risk for the Group and CICL was driven by an increase in overall invested assets.

E3 Other information

There are no risk modules and sub-modules of the standard formula that use materially simplified calculations. There were no material changes to the calculation of the SCR or MCR in the reporting period.

There were no instances of non-compliance with the SCR or the MCR during the financial period.

F Other information

F1 Directors' statement

Approval by the Board of Directors of CNA Europe Holdings Limited of the Group SFCR for the year ended 31 December 2025.

We certify that the SFCR has been properly prepared in all material respects in accordance with the PRA rules and Solvency II regulations and we are satisfied that:

- Throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable in this regard; and
- It is reasonable to believe that, at the date of the publication of the SFCR, the Group has continued so to comply, and will continue to comply in the future.



D Stevens

Director
20 May 2026

G Audit report

Report of the external independent auditor to the Directors of CNA Europe Holdings Limited pursuant to Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook applicable to Solvency II firms.

Report on the Audit of the relevant elements of the Group Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by CNA Europe Holdings Limited ('CNAEH') and its subsidiary CNA Insurance Company Limited ('the Company' or 'CICL') as at 31 December 2025. The documents prepared by CNA Europe Holdings Limited include a consolidation of CNAEH, CICL and its wholly owned subsidiary CNA Insurance Company (Europe) S.A. ('CICE') (together 'the Group').

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Group Solvency and Financial Condition Report of CNA Europe Holdings Limited as at 31 December 2025, ('the Narrative Disclosures subject to audit');
- Group templates IR.02.01.02, IR.23.01.04, IR.25.04.22, and IR.32.01.22 ('the Group Templates subject to audit'); and
- CICL templates IR.02.01.02, IR.17.01.02, IR.23.01.01, IR.25.04.21 and IR.28.01.01 ('the Company Templates subject to audit').

The Narrative Disclosures subject to audit and the Group and Company Templates subject to audit are collectively referred to as the 'relevant elements of the Group Solvency and Financial Condition Report'. This report refers only to the Company and the Group. CICE produces a standalone solo SFCR which we are not required to audit, nor have we audited, and as a consequence do not express an opinion on.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- The 'Business and performance', 'System of governance' and 'Risk profile' elements of the Group Solvency and Financial Condition Report;
- Group templates IR.05.04.02 and IR.05.02.01;
- CICL templates IR.05.04.02, IR.05.02.01 and IR.19.01.21;
- the written acknowledgement by management of their responsibilities, including for the preparation of the Group Solvency and Financial Condition Report ('the Responsibility Statement').

To the extent the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group Solvency and Financial Condition and the relevant templates of the Group and CICL as at 31 December 2025 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency UK regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determination.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including ISA (UK) 800 and ISA (UK) 805. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report section of our report. We are independent of CNAEH and the Group in accordance with the ethical requirements that are relevant to our audit of the Group Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

G Audit report - continued

Conclusions relating to going concern

In auditing the Group Solvency and Financial Condition Report, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Group Solvency and Financial Condition Report is appropriate. Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Review of the latest available Own Risk and Solvency Assessment ('ORSA') return to ensure compliance with regulatory solvency requirements, noting the Company to be in excess of the minimum solvency requirement;
- Checked the solvency through reference of sufficiency of assets to meet liabilities and the adequacy of regulatory capital;
- Review of the Group's budget for the next 12 months considering the validity of assumptions made; and
- Enquiries of the Directors and scrutiny of management information, board minutes and regulatory correspondence to ascertain the existence of undisclosed events or obligations that may cast doubt on the Group's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the Group Solvency and Financial Condition Report is authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' section of the Group Solvency and Financial Condition Report, which describe the basis of accounting. The Group Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency UK regulations, and therefore in accordance with a special purpose financial reporting framework. The Group Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Group Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group Solvency and Financial Condition Report does not cover the Other Information and, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Group Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Group Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Group Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

G Audit report - continued

Responsibilities of Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA rules and Solvency UK regulations which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA, the PRA Rules and Solvency UK regulations on which they are based.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group Solvency and Financial Condition Report are prepared, in all material respects, with financial reporting provisions of the PRA Rules and Solvency UK regulations on which they are based.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory framework applicable to the Group's operations and the control environment in monitoring compliance with laws and regulations;
- Review of correspondence with the Prudential Regulation Authority ('PRA') and Financial Conduct Authority ('FCA');
- Review of the assumptions and methodology applied by the Group in the valuation of the best estimate technical provisions to consider whether the methods utilised are in compliance with Technical Actuarial Standards (TAS 100: Principles for Technical Actuarial Work and TAS 200: Insurance), using our actuaries as audit specialists;
- Enquiries of management, internal audit and those charged with governance;
- Review of minutes of board and committee meetings throughout the period; and
- Agreement of the Group SFCR to underlying supporting documentation.


Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Group Solvency and Financial Condition Report.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

G Audit report - continued

Report on Other Legal and Regulatory Requirements.

In accordance with Rule 4.1 (3) of the External Audit Chapter of the PRA Rulebook for Solvency UK firms we are required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of the CNAEH and CICL statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DocuSigned by:

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Alexander Barnes (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
55 Baker St,
London
W1U 7EU
20 May 2026

H Appendix

Insurance return templates

IR.02.01 – Balance sheet

IR.05.02 – Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations

IR.05.04 – Non-life income and expenditure : reporting period

IR.17.01 – Non-life technical provisions

IR.19.01 – Non-life insurance claims

IR.23.01 – Own funds

IR.25.04 – Solvency Capital Requirement

IR.28.01 – Minimum Capital requirement – Only life or only non-life insurance or reinsurance activity

IR.32.01 – Undertakings in the scope of the group

CNA Europe Holdings Limited

Solvency and Financial Condition Report

Disclosures

31 December

2025

(Monetary amounts in GBP thousands)

General information

Entity name	CNA Europe Holdings Limited
Entity identification code and type of code	LEI/2138002H13BWXXQGI455
Country of the group supervisor	US
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	0
R0040	Deferred tax assets	6,255
R0050	Pension benefit surplus	9,838
R0060	Property, plant & equipment held for own use	3,753
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	1,763,931
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	0
R0120	<i>Equities - unlisted</i>	0
R0130	<i>Bonds</i>	1,715,623
R0140	<i>Government Bonds</i>	236,262
R0150	<i>Corporate Bonds</i>	1,477,480
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	1,882
R0180	<i>Collective Investments Undertakings</i>	48,308
R0190	<i>Derivatives</i>	0
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	224,143
R0280	<i>Non-life and health similar to non-life</i>	224,143
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	16,478
R0370	Reinsurance receivables	16,885
R0380	Receivables (trade, not insurance)	0
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	42,984
R0420	Any other assets, not elsewhere shown	5,159
R0500	Total assets	2,089,426

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	1,182,574
R0510	<i>Technical provisions - non-life</i>	1,182,574
R0515	<i>Technical provisions - life</i>	0
R0542	Best estimate - total	1,122,841
R0544	<i>Best estimate - non-life</i>	1,122,841
R0546	<i>Best estimate - life</i>	0
R0552	Risk margin - total	59,733
R0554	<i>Risk margin - non-life</i>	59,733
R0556	<i>Risk margin - life</i>	0
R0565	Transitional (TMTP) - life	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	31,354
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	3,863
R0820	Insurance & intermediaries payables	49,525
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	2,114
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	0
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	28,998
R0900	Total liabilities	1,298,427
R1000	Excess of assets over liabilities	790,998

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Top 5 countries (by amount of gross premiums written)						Total Top 5 and home country
Home Country	LU	FR	NL	BE	IT		
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business	303,838	75,128	40,393	20,607	18,506	16,202	474,673
R0120 Gross - Proportional reinsurance accepted	0	433	0	0	0	0	433
R0130 Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0140 Reinsurers' share	46,724	12,006	4,256	1,448	1,310	783	66,528
R0200 Net	257,114	63,555	36,137	19,159	17,196	15,419	408,579
Premiums earned							
R0210 Gross - Direct Business	299,339	75,128	40,354	20,952	18,247	15,882	469,902
R0220 Gross - Proportional reinsurance accepted	0	402	0	0	0	0	402
R0230 Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0240 Reinsurers' share	41,811	12,006	4,598	1,463	1,279	788	61,946
R0300 Net	257,529	63,524	35,755	19,489	16,968	15,094	408,359
Claims incurred							
R0310 Gross - Direct Business	182,890	57,522	25,519	3,301	8,473	7,780	285,485
R0320 Gross - Proportional reinsurance accepted	0	1,312	0	0	0	0	1,312
R0330 Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0340 Reinsurers' share	40,493	19,003	3,564	0	224	0	63,284
R0400 Net	142,398	39,832	21,955	3,301	8,248	7,780	223,514
R0550 Net expenses incurred	91,990	19,381	17,216	7,035	6,773	8,083	150,478

IR.05.04.02

Non-life income and expenditure : reporting period

	All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Non-life insurance and accepted proportional reinsurance obligations		Non-life insurance and accepted proportional reinsurance obligations				Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts	
			Marine, aviation and transport insurance	Fire and other damage to property insurance - non-personal lines	General liability insurance			Legal expenses insurance			Miscellaneous financial loss
					Employers Liability	Public & products Liability	Professional Indemnity				
	C0010	C0015	C0160	C0180	C0190	C0200	C0210	C0240	C0260	C0525	C0545
Income											
Premiums written											
R0110	Gross written premiums	504,895	69,546	37,525	36,832	78,405	260,875	167	21,544		
R0111	Gross written premiums - Insurance (direct)	503,948	69,123	37,505	36,817	78,335	260,474	167	21,527		
R0113	Gross written premiums - accepted reinsurance	947	423	21	15	70	400		17		
R0160	Net written premiums	435,266	68,341	24,015	30,252	64,698	227,219	167	20,574		
Premiums earned and provision for unearned											
R0210	Gross earned premiums	488,494	70,313	37,095	36,623	77,401	246,127	141	20,794		
R0220	Net earned premiums	422,089	68,739	22,846	30,911	62,512	215,690	141	21,250		
Expenditure											
Claims Incurred											
R0610	Gross (undiscounted) claims incurred	297,023	44,517	21,464	25,568	36,674	164,786	-204	4,217		
R0611	Gross (undiscounted) direct business	296,190	43,579	21,457	25,574	36,691	164,872	-204	4,221		
R0612	Gross (undiscounted) reinsurance accepted	833	938	7	-6	-17	-86	0	-4		
R0690	Net (undiscounted) claims incurred	234,422	46,024	18,795	21,946	24,199	126,562	-204	-2,901		
R0730	Net (discounted) claims incurred	234,422	234,422								
Analysis of expenses incurred											
R0910	Technical expenses incurred net of reinsurance ceded	157,602									
R0985	Acquisition costs, commissions, claims management costs	94,757	94,757	15,818	6,599	7,620	16,551	45,839	28	2,302	
Other expenditure											
R1140	Other expenses	4,179									
R1310	Total expenditure	396,203									

IR.25.04.22

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

C0010

Market risk		
R0070	Interest rate risk	51,724
R0080	Equity risk	0
R0090	Property risk	992
R0100	Spread risk	83,760
R0110	Concentration risk	0
R0120	Currency risk	81,174
R0125	Other market risk	0
R0130	Diversification within market risk	-69,651
R0140	Total Market risk	147,998
Counterparty default risk		
R0150	Type 1 exposures	14,365
R0160	Type 2 exposures	12,926
R0165	Other counterparty risk	0
R0170	Diversification within counterparty default risk	-1,758
R0180	Total Counterparty default risk	25,533
Life underwriting risk		
R0190	Mortality risk	0
R0200	Longevity risk	0
R0210	Disability-Morbidity risk	0
R0220	Life-expense risk	0
R0230	Revision risk	0
R0240	Lapse risk	0
R0250	Life catastrophe risk	0
R0255	Other life underwriting risk	0
R0260	Diversification within life underwriting risk	0
R0270	Total Life underwriting risk	0
Health underwriting risk		
R0280	Health SLT risk	0
R0290	Health non SLT risk	33
R0300	Health catastrophe risk	0
R0305	Other health underwriting risk	0
R0310	Diversification within health underwriting risk	0
R0320	Total Health underwriting risk	33
Non-life underwriting risk		
R0330	Non-life premium and reserve risk (ex catastrophe risk)	312,502
R0340	Non-life catastrophe risk	119,971
R0350	Lapse risk	10,156
R0355	Other non-life underwriting risk	0
R0360	Diversification within non-life underwriting risk	-80,829
R0370	Total Non-life underwriting risk	361,800
R0400	Intangible asset risk	0
Operational and other risks		
R0422	Operational risk	33,685
R0424	Other risks	0
R0430	Total Operational and other risks	33,685
R0432	Total before all diversification	721,288
R0434	Total before diversification between risk modules	569,050
R0436	Diversification between risk modules	-97,920
R0438	Total after diversification	471,130
R0440	Loss absorbing capacity of technical provisions	0
R0450	Loss absorbing capacity of deferred tax	-17,951
R0455	Other adjustments	0
R0460	Solvency capital requirement including undisclosed capital add-on	453,179
R0472	Disclosed capital add-on - excluding residual model limitation	0
R0474	Disclosed capital add-on - residual model limitation	0
R0480	Solvency capital requirement including capital add-on	453,179
R0490	Biting interest rate scenario	
R0495	Biting life lapse scenario	
Information on other entities		
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	<i>Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies</i>	
R0520	<i>Institutions for occupational retirement provisions</i>	
R0530	<i>Capital requirement for non-regulated entities carrying out financial activities</i>	
R0540	Capital requirement for non-controlled participation requirements	
R0550	Capital requirement for residual undertakings	
Overall SCR		
R0555	Solvency capital requirement (consolidation method)	453,179
R0560	SCR for undertakings included via D and A	
R0565	SCR for sub-groups included via D and A	
R0570	Solvency capital requirement	453,179

IR.32.01.22

Undertakings in the scope of the group

Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation		
							% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking	
ROU	C0010	C0000	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	LEI/213802H13BWOQGI455	CNA Europe Holdings Limited	Insurance holding company as defined in the Glossary part of the IFRS Rulebook	Company limited by shares	Non-mutual	Prudential Regulation Authority										Method 1: Full consolidation
GB	LEI/2138029N7V27NDK3H65	CNA Insurance Company Limited	Non-life insurance undertaking	Company limited by shares	Non-mutual	Prudential Regulation Authority	100.00%	100.00%	100.00%		Dominant	100.00%		Included in the scope		Method 1: Full consolidation
LU	LEI/213802R20T9HSBQC4F	CNA Insurance Company (Europe) S.A.	Non-life insurance undertaking	Company limited by shares	Non-mutual	Commissariat aux Assurances (CAA)	100.00%	100.00%	100.00%		Dominant	100.00%		Included in the scope		Method 1: Full consolidation

CNA Insurance Company Limited

Solvency and Financial Condition Report

Disclosures

31 December

2025

(Monetary amounts in GBP thousands)

General information

Entity name	CNA Insurance Company Limited
Entity identification code and type of code	LEI/2138005IN7V37NDR3H65
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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IR.02.01.02 - Balance sheet

IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations

IR.05.04.02 - Non-life income and expenditure : reporting period

IR.17.01.02 - Non-Life Technical Provisions

IR.19.01.21 - Non-Life insurance claims

IR.23.01.01 - Own Funds

IR.25.04.21 - Solvency Capital Requirement

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

IR.02.01.02

Balance sheet

	Solvency II value
	C0010
Assets	
R0030 Intangible assets	
R0040 Deferred tax assets	89
R0050 Pension benefit surplus	9,838
R0060 Property, plant & equipment held for own use	0
R0070 Investments (other than assets held for index-linked and unit-linked contracts)	1,314,153
R0080 <i>Property (other than for own use)</i>	0
R0090 <i>Holdings in related undertakings, including participations</i>	349,787
R0100 <i>Equities</i>	0
R0110 <i>Equities - listed</i>	
R0120 <i>Equities - unlisted</i>	
R0130 <i>Bonds</i>	946,141
R0140 <i>Government Bonds</i>	137,823
R0150 <i>Corporate Bonds</i>	806,634
R0160 <i>Structured notes</i>	0
R0170 <i>Collateralised securities</i>	1,684
R0180 <i>Collective Investments Undertakings</i>	18,224
R0190 <i>Derivatives</i>	
R0200 <i>Deposits other than cash equivalents</i>	0
R0210 <i>Other investments</i>	0
R0220 Assets held for index-linked and unit-linked contracts	
R0230 Loans and mortgages	0
R0240 <i>Loans on policies</i>	0
R0250 <i>Loans and mortgages to individuals</i>	
R0260 <i>Other loans and mortgages</i>	
R0270 Reinsurance recoverables from:	150,847
R0280 <i>Non-life and health similar to non-life</i>	150,847
R0315 <i>Life and health similar to life, excluding index-linked and unit-linked</i>	
R0340 <i>Life index-linked and unit-linked</i>	
R0350 Deposits to cedants	0
R0360 Insurance and intermediaries receivables	9,978
R0370 Reinsurance receivables	15,335
R0380 Receivables (trade, not insurance)	
R0390 Own shares (held directly)	
R0400 Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410 Cash and cash equivalents	13,853
R0420 Any other assets, not elsewhere shown	4,436
R0500 Total assets	1,518,528

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	665,347
R0510	<i>Technical provisions - non-life</i>	665,347
R0515	<i>Technical provisions - life</i>	0
R0542	Best estimate - total	634,100
R0544	<i>Best estimate - non-life</i>	634,100
R0546	<i>Best estimate - life</i>	
R0552	Risk margin - total	31,247
R0554	<i>Risk margin - non-life</i>	31,247
R0556	<i>Risk margin - life</i>	
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	19,490
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	29,514
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	398
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	24,836
R0900	Total liabilities	739,584
R1000	Excess of assets over liabilities	778,944

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
R0010							
	Premiums written						
R0110	Gross - Direct Business	303,838					303,838
R0120	Gross - Proportional reinsurance accepted	0					0
R0130	Gross - Non-proportional reinsurance accepted	0					0
R0140	Reinsurers' share	46,724					46,724
R0200	Net	257,114					257,114
	Premiums earned						
R0210	Gross - Direct Business	299,339					299,339
R0220	Gross - Proportional reinsurance accepted	0					0
R0230	Gross - Non-proportional reinsurance accepted	0					0
R0240	Reinsurers' share	41,811					41,811
R0300	Net	257,529					257,529
	Claims incurred						
R0310	Gross - Direct Business	182,890					182,890
R0320	Gross - Proportional reinsurance accepted	0					0
R0330	Gross - Non-proportional reinsurance accepted	0					0
R0340	Reinsurers' share	40,493					40,493
R0400	Net	142,398					142,398
R0550	Net expenses incurred	91,990					91,990

IR.05.04.02

Non-life income and expenditure : reporting period

	All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Non-life insurance and accepted proportional reinsurance obligations		Non-life insurance and accepted proportional reinsurance obligations					Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts
			Marine, aviation and transport insurance	Fire and other damage to property insurance - non-personal lines	General liability insurance			Legal expenses insurance	Miscellaneous financial loss		
					Employers Liability	Public & products Liability	Professional Indemnity				
	C0010	C0015	C0160	C0180	C0190	C0200	C0210	C0240	C0260	C0525	C0545
Income											
Premiums written											
R0110	Gross written premiums	304,282	41,482	33,507	31,835	54,909	127,231	167	15,152		
R0111	Gross written premiums - Insurance (direct)	304,282	41,482	33,507	31,835	54,909	127,231	167	15,152		
R0113	Gross written premiums - accepted reinsurance	0	0	0	0	0	0	0	0		
R0160	Net written premiums	257,487	40,437	21,694	25,826	43,889	108,863	167	16,611		
Premiums earned and provision for unearned											
R0210	Gross earned premiums	299,870	41,627	33,414	32,018	55,748	122,971	141	13,952		
R0220	Net earned premiums	257,937	40,246	21,113	26,929	43,788	109,196	141	16,525		
Expenditure											
Claims Incurred											
R0610	Gross (undiscounted) claims incurred	176,428	20,258	20,145	20,100	21,980	90,081	-204	4,069		
R0611	Gross (undiscounted) direct business	176,428	20,258	20,145	20,100	21,980	90,081	-204	4,069		
R0612	Gross (undiscounted) reinsurance accepted	0	0	0	0	0	0	0	0		
R0690	Net (undiscounted) claims incurred	141,967	21,544	19,650	17,976	13,529	72,340	-204	-2,867		
R0730	Net (discounted) claims incurred	141,967	141,967								
Analysis of expenses incurred											
R0910	Technical expenses incurred net of reinsurance ceded	88,696									
R0985	Acquisition costs, commissions, claims management costs	55,847	55,847	9,170	5,235	4,597	8,173	28,833	17	-178	
Other expenditure											
R1140	Other expenses	4,058									
R1310	Total expenditure	244,175									

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance								Accepted non-proportional reinsurance	Total Non-Life obligation
		Medical expense insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional marine, aviation and transport reinsurance	
		C0020	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0160	C0180
Best estimate											
Premium provisions											
R0060	Gross	27	12,513	3,792	41,949	0	-711	11	-532	5	57,054
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	1,216	10,336	13,667	0	119	-24	1,704	-53	26,964
R0150	Net Best Estimate of Premium Provisions	27	11,297	-6,544	28,283	0	-830	36	-2,236	59	30,090
Claims provisions											
R0160	Gross	-191	24,695	42,940	490,680	0	-181	-3	22,003	-2,898	577,047
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	2	2,269	21,803	91,937	0	-9	0	7,728	153	123,883
R0250	Net Best Estimate of Claims Provisions	-193	22,426	21,138	398,744	0	-172	-3	14,275	-3,051	453,163
R0260	Total best estimate - gross	-164	37,208	46,732	532,630	0	-892	8	21,471	-2,893	634,100
R0270	Total best estimate - net	-166	33,723	14,594	427,026	0	-1,002	33	12,038	-2,993	483,253
R0280	Risk margin	1	444	618	25,467	1	43	1	4,672	1	31,247
R0320	Technical provisions - total	-163	37,652	47,350	558,097	1	-849	9	26,142	-2,892	665,347
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	2	3,486	32,138	105,603	0	110	-24	9,432	100	150,847
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	-165	34,167	15,212	452,493	1	-959	34	16,710	-2,992	514,500

IR.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year

Gross Claims Paid (non-cumulative)														
(absolute amount)														
Year	C0010	C0020	C0030	C0040	Development year						C0100	C0110	C0170	C0180
	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)	
R0100	Prior											5,229	5,229	5,229
R0160	-9	10,429	16,503	8,784	-61	4,918	8,840	2,119	4,571	572	1,962		1,962	58,637
R0170	-8	17,909	17,116	11,374	8,664	6,886	13,378	41,660	7,167	21,204			21,204	145,357
R0180	-7	36,885	15,520	12,943	9,720	8,194	14,565	18,318	13,854				13,854	130,000
R0190	-6	18,137	16,550	6,001	8,359	7,081	5,009	3,647					3,647	64,785
R0200	-5	7,311	15,089	9,044	13,304	8,062	4,948						4,948	57,759
R0210	-4	11,159	11,582	6,338	7,268	7,652							7,652	43,998
R0220	-3	7,094	24,498	12,712	7,897								7,897	52,200
R0230	-2	8,167	27,668	26,910									26,910	62,746
R0240	-1	12,474	22,788										22,788	35,262
R0250	0	14,323											14,323	14,323
R0260												Total	130,415	670,297

Gross Undiscounted Best Estimate Claims Provisions													
(absolute amount)													
Year	C0200	C0210	C0220	C0230	Development year						C0300	C0360	
	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)	
R0100	Prior											14,616	16,237
R0160	-9	110,012	109,126	46,454	36,386	25,278	27,616	22,260	21,486	15,399	13,362		11,950
R0170	-8	133,662	88,775	90,292	103,709	97,328	70,674	58,829	54,490	32,243			29,028
R0180	-7	89,470	90,775	71,263	62,651	62,428	46,111	29,649	27,079				24,638
R0190	-6	86,348	58,561	48,859	40,559	22,536	18,844	22,814					20,481
R0200	-5	99,721	83,621	63,837	45,239	39,706	30,822						28,167
R0210	-4	97,357	77,020	71,856	43,111	43,970							40,294
R0220	-3	135,075	73,435	86,657	62,798								57,280
R0230	-2	167,448	126,036	100,169									90,549
R0240	-1	154,752	133,272										119,992
R0250	0	165,242											148,709
R0260												Total	587,324

Gross premium			
	C0570	C0580	
	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
R0160	N-9	134,892	0
R0170	N-8	144,413	0
R0180	N-7	157,558	0
R0190	N-6	171,164	0
R0200	N-5	197,470	0
R0210	N-4	225,884	0
R0220	N-3	258,364	0
R0230	N-2	289,355	0
R0240	N-1	305,717	0
R0250	N	309,879	0

IR.23.01.01

Own Funds

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above

R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

R0290 Total basic own funds

Ancillary own funds

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees
R0350	Letters of credit and guarantees other
R0360	Supplementary members calls
R0370	Supplementary members calls - other
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Available and eligible own funds

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

R0580	SCR
R0600	MCR
R0620	Ratio of Eligible own funds to SCR
R0640	Ratio of Eligible own funds to MCR

Reconciliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0725	Deductions for participations in financial and credit institutions
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	Reconciliation reserve

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
255,200	255,200		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
523,744	523,744			
0		0	0	0
0				0
0	0	0	0	0
38				
778,906	778,906	0	0	0
0				
0				
0				
0				
0				
0				
0				
0			0	0
778,906	778,906	0	0	0
778,906	778,906	0	0	
778,906	778,906	0	0	0
778,906	778,906	0	0	
345,946				
86,487				
225.15%				
900.61%				
C0060				
778,944				
0				
255,200				
0				
523,744				

IR.25.04.21

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

		C0010
Market risk		
R0070	Interest rate risk	44,244
R0080	Equity risk	78,722
R0090	Property risk	54
R0100	Spread risk	45,007
R0110	Concentration risk	1,650
R0120	Currency risk	102,396
R0125	Other market risk	
R0130	Diversification within market risk	-86,079
R0140	Total Market risk	185,994
Counterparty default risk		
R0150	Type 1 exposures	8,602
R0160	Type 2 exposures	7,413
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-1,028
R0180	Total Counterparty default risk	14,987
Life underwriting risk		
R0190	Mortality risk	
R0200	Longevity risk	
R0210	Disability-Morbidity risk	
R0220	Life-expense risk	
R0230	Revision risk	
R0240	Lapse risk	
R0250	Life catastrophe risk	
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	
R0270	Total Life underwriting risk	0
Health underwriting risk		
R0280	Health SLT risk	0
R0290	Health non SLT risk	57
R0300	Health catastrophe risk	0
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	0
R0320	Total Health underwriting risk	57
Non-life underwriting risk		
R0330	Non-life premium and reserve risk (ex catastrophe risk)	184,339
R0340	Non-life catastrophe risk	112,557
R0350	Lapse risk	457
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	-58,555
R0370	Non-life underwriting risk	238,798
R0400	Intangible asset risk	
Operational and other risks		
R0422	Operational risk	18,892
R0424	Other risks	
R0430	Total Operational and other risks	18,892
R0432	Total before all diversification	604,391
R0434	Total before diversification between risk modules	458,728
R0436	Diversification between risk modules	-94,831
R0438	Total after diversification	363,898
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	-17,951
R0455	Other adjustments	
R0460	Solvency capital requirement including undisclosed capital add-on	345,946
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	Solvency capital requirement including capital add-on	345,946
R0490	Biting interest rate scenario	
R0495	Biting life lapse scenario	

IR.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

83,794

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
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C0020

C0030

C0020	C0030
0	
0	
0	
0	
0	
33,723	40,437
14,594	21,694
427,026	178,578
0	
0	167
33	
12,038	16,611
0	
0	
0	
0	

- R0020 Medical expense insurance and proportional reinsurance
- R0030 Income protection insurance and proportional reinsurance
- R0040 Workers' compensation insurance and proportional reinsurance
- R0050 Motor vehicle liability insurance and proportional reinsurance
- R0060 Other motor insurance and proportional reinsurance
- R0070 Marine, aviation and transport insurance and proportional reinsurance
- R0080 Fire and other damage to property insurance and proportional reinsurance
- R0090 General liability insurance and proportional reinsurance
- R0100 Credit and suretyship insurance and proportional reinsurance
- R0110 Legal expenses insurance and proportional reinsurance
- R0120 Assistance and proportional reinsurance
- R0130 Miscellaneous financial loss insurance and proportional reinsurance
- R0140 Non-proportional health reinsurance
- R0150 Non-proportional casualty reinsurance
- R0160 Non-proportional marine, aviation and transport reinsurance
- R0170 Non-proportional property reinsurance

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

0

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
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C0050

C0060

C0050	C0060

- R0210 Obligations with profit participation - guaranteed benefits
- R0220 Obligations with profit participation - future discretionary benefits
- R0230 Index-linked and unit-linked insurance obligations
- R0240 Other life (re)insurance and health (re)insurance obligations
- R0250 Total capital at risk for all life (re)insurance obligations

Overall MCR calculation

- R0300 Linear MCR
- R0310 SCR
- R0320 MCR cap
- R0330 MCR floor
- R0340 Combined MCR
- R0350 Absolute floor of the MCR
- R0400 Minimum Capital Requirement

C0070

83,794
345,946
155,676
86,487
86,487
3,500
86,487