

# Solvency and Financial Condition Report 2025

**Mediolanum International Life,  
No. 3 Dublin Landings, North Wall Quay, Dublin 1, D01 C4E0**

Registration No: 255456  
Registration Place: Ireland

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# Executive Summary

Mediolanum International Life dac (hereinafter, also “MIL”, or “the Company”) presents the Company’s Solvency and Financial Condition Report (“SFCR”) under the Solvency II Directive as at 31 December 2025.

## Purpose of the Solvency and Financial Condition Report

The Solvency II Directive was transposed into Irish Law as the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015) as amended and the legislation entered into force on 1 January 2016. This report is intended to assist clients in understanding the capital position of MIL by providing an overview of the Business Model and Performance of the Company, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management framework. The appendices to this report also detail specific Quantitative Reporting Templates (QRTs) for the Company in the format needed under the regulations.

## Our Structure

MIL is the Irish life company of the Banca Mediolanum Insurance Group, and is authorised by the Central Bank of Ireland (“CBI”) to conduct life Insurance business under the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015) as amended. MIL has its registered head office in Dublin, Ireland. It also operates through its branches in other countries of the European Union under the right of establishment governed by applicable legislation. MIL is authorised to sell classes I, III and IV Insurance products (as per Annex I of S.I. No. 485 of 2015) and is currently selling unit-linked products in Italy and Germany and both index linked and unit-linked products in Spain.

## Governance Structure

The Company has in place a robust governance framework that enables us to deliver on our strategy. Strong governance is essential to the sustainable growth of our business; it is at the heart of what we do. The ultimate Administrative Management Supervisory Body that has the responsibility for all of these matters is the Company’s Board of Directors, with the help of various governance and control functions that it has put in place to monitor and manage the business. There are more details in section B.I.

## Summary Highlights

2025 was another positive year for global financial markets, supported by easing inflation expectations, monetary policy easing by major central banks, and strong investor enthusiasm for artificial intelligence-related investments. Early in the year, geopolitical tensions in Europe and the Middle East remained a source of uncertainty, but these pressures gradually eased as the probability of a resolution to the Russia-Ukraine conflict increased and tensions in the Middle East abated. Trade policy developments, particularly tariff announcements from the US, created bouts of volatility during the year; however, market fears proved overdone as many of the initially proposed measures were subsequently diluted.

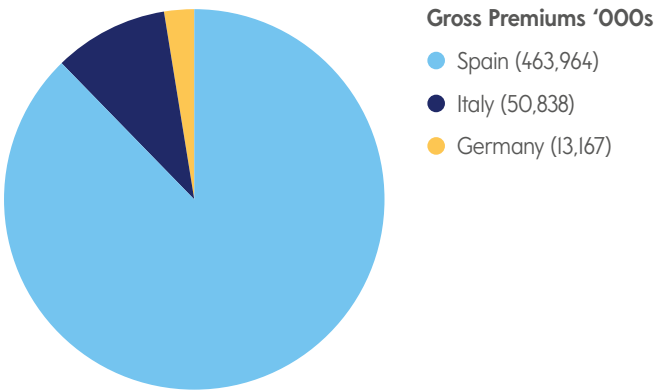
Inflation remained relatively sticky across the US and Europe, though sentiment improved as labour markets softened in the US and wage pressures moderated in Europe. This allowed the Federal Reserve and the European Central Bank to begin cutting interest rates, with several other central banks following suit. Expectations of further rate cuts supported risk assets, while Japan diverged from this trend, experiencing rising inflation and signaling tighter monetary policy. Currency and commodity markets also reflected these dynamics, with a weaker US dollar and record gains in gold and silver, driven by strong demand and more supportive interest-rate conditions for non-yielding assets.

Equity markets delivered strong returns during the year, underpinned by multiple expansion rather than broad-based earnings growth. Performance was highly concentrated in a small group of large, AI-exposed stocks, resulting in a narrow market rally. While global equities posted double-digit gains in local currency terms, euro-based returns were moderated by US dollar weakness. Fixed income markets also performed well, particularly short-dated sovereign bonds, as falling policy rates boosted prices, while credit markets benefited from narrowing spreads amid a supportive risk environment.

Overall, in 2025, global financial markets delivered solid performance, supported by easing geopolitical tensions, reduced trade-related uncertainty, accommodative monetary policy, and continued optimism surrounding AI-driven innovation. While these factors underpinned stronger risk sentiment, valuations in certain segments like technology companies and credit spread now appear stretched. While these trends provide a constructive backdrop heading into 2026, the concentration of returns and lingering geopolitical and fiscal risks suggest that a degree of caution remains warranted.

Recent geopolitical escalation in the Middle East has introduced renewed uncertainty, leading to significant disruption in the global oil supply chain. These disruptions have driven spikes in crude oil prices and heightened volatility across energy markets, with concerns that prolonged supply tensions could feed into higher global inflation and weaker growth.

MIL delivered gross written premiums of €527,969k in 2025 and maintained stable AUM levels, supported by robust new business growth in Spain and strong equity market performance. This positive momentum helped offset the impact of product maturities in the Italian market and certain index linked auto-call events in Spanish market during the year. The financial year remained profitable for the Company, with profit before tax of €26,701k compared with €29,428k in 2024. Policyholder AUM increased slightly to €2,968,651k at year end (2024: €2,933,889k). Profit after tax for the year ended 31 December 2025, as reported in the Financial Statements, amounted to €22,256k (2024: €25,014k).



### Business Strategy

Looking ahead, our primary objective remains unchanged, to ensure that our policyholders achieve the long-term outcomes they expect, and we remain fully focused on this goal. We enter the new financial year with a healthy balance sheet and a broad range of capabilities which can adapt to changing policyholder appetites to enable us to remain competitive in rapidly adapting markets.

MIL leverages a proprietary R&D methodology called MedInSynC<sup>®</sup> to drive product creation. This process is run on a digital platform and allows for collaboration between our internal teams and external parties. This engagement pervades all phases of the product development lifecycle, from the new idea evaluation, through product design, feasibility analysis and validation and finally to product implementation. Utilising this process, in 2025, we launched four new index-linked products in Spain. We also introduced new tariff options within the Mediolanum Life Plan, our single-premium whole-of-life product in Germany. We remain focused on growing top-line sales while improving bottom-line profitability.

In 2025, MIL continued to strengthen its technology operating model across the key pillars of process, people, technology and data. This included progressing our cloud and data strategies, enhancing core analytics tools such as medBRAT, client-centricity dashboards, and integrated investment analytics solutions, and embedding more efficient low-code and agile delivery practices. We also advanced our responsible AI framework, introducing modular AI capabilities to support decision-making, enhancing key processes such as policy servicing, reporting and risk monitoring, and investing in staff upskilling through targeted programmes including AI-focused training. These developments collectively enhance operational resilience, scalability and governance, while ensuring our people remain central to effectively leveraging these technologies for the long-term benefit of our clients.

The Company has continuously complied with all aspects of the Solvency II regulations from the date of first implementation on 1 January 2016. Throughout the year the Company has maintained a solvency ratio above the Solvency II Internal Risk Appetite limits. The Company's SCR coverage ratio increased from 174% in 2024 to 181% in 2025. The increase in solvency ratio is due to an increase in own funds which is primarily driven by a decrease in the Best Estimate Liability (i.e., an increased present value of future profits) and an increase in retained profits. The increase in own funds offsets the increase in SCR – the SCR increase is driven by an increase in the mass lapse SCR due to the increase in present value of future profits, and an increase in the equity SCR as a result of higher equity exposure and an increase in the symmetric equity adjustment.

The Minimum Capital Requirement ("MCR") solvency ratio at 31 December 2025 was 723% (2024: 697%).

# Executive Summary

The below table outlines the eligible amount of own funds to cover the SCR & MCR and are all classified as Tier I.

Own Fund Item (All Tier I Items)	2025	2024	Movement	%
Share Capital	1,395	1,395	0	0.0%
Capital Contribution	58,729	58,729	0	0.0%
Dividends paid during the year	0	(21,382)	21,382	-100%
Reconciliation Reserve before deduction for participants	324,088	285,506	38,590	13.5%
Result for the period ended	22,256	25,014	(2,758)	-11%
Forseeable dividends	(11,128)	0	(11,128)	100%
Available and eligible own funds	<b>384,211</b>	<b>345,629</b>	<b>38,590</b>	<b>11.2%</b>
SCR	212,550	198,224	14,318	7.2%
% SCR	<b>181%</b>	<b>174%</b>	0.07	<b>4.0%</b>
MCR	53,135	49,556	3,579	7.2%
% MCR	<b>723%</b>	<b>697%</b>	<b>0.26%</b>	<b>3.7%</b>

All numbers in €'000

## Risk Profile

Section C outlines our risk profile. It provides further details of the Board-approved risk appetite. The SCR is split by risk category in the following table.

Solvency Capital Requirement (SRC)	2025	2024
Underwriting Risk	149,280	135,352
Counterparty Risk	7,432	9,641
Market Risk	148,292	140,503
Diversification Effects	(67,297)	(64,154)
Operational Risk	5,207	5,198
Deferred Tax	(30,364)	(28,318)
SCR	<b>212,550</b>	<b>198,224</b>

All numbers in €'000

# Business and Performance

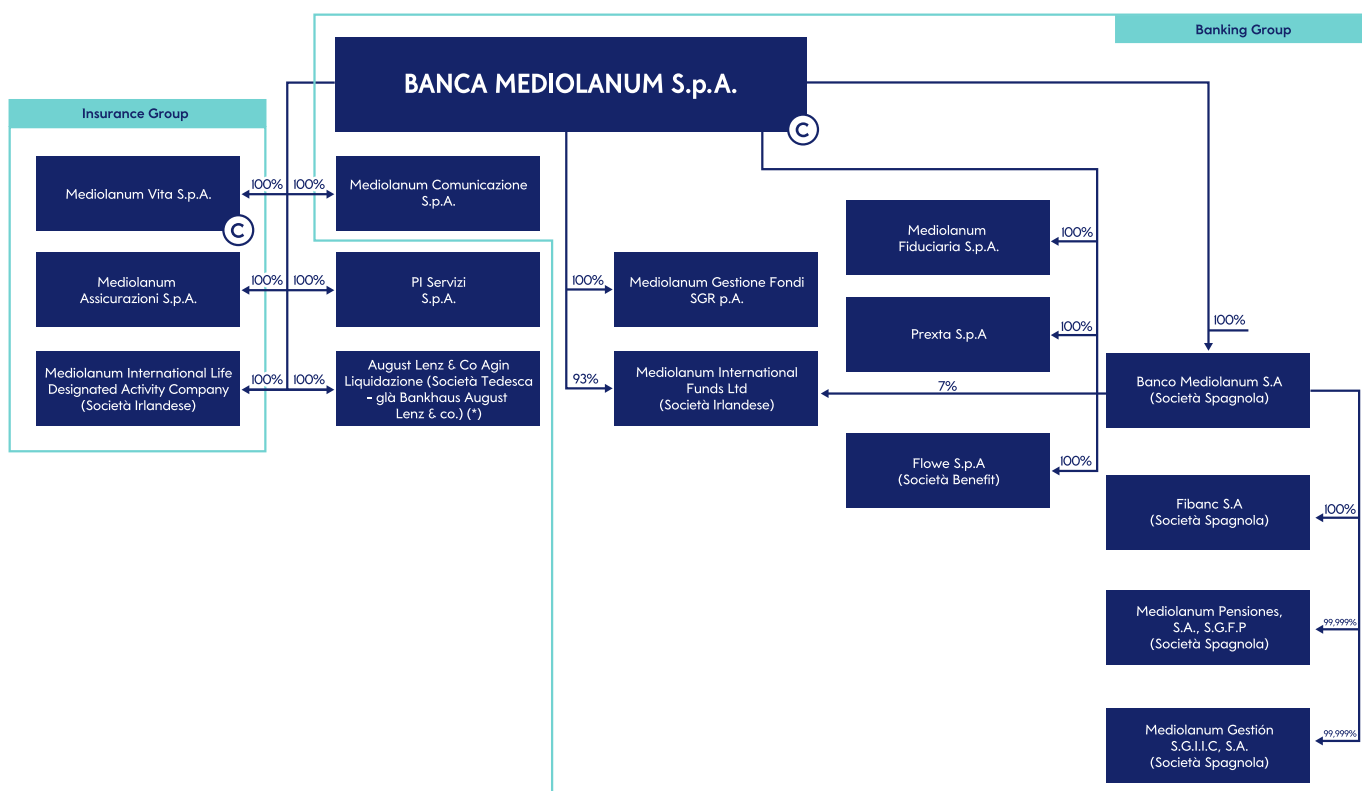
## A.1 Business and External Environment

Company Registered Address is:	MIL is regulated by:	MIL's External Auditor is:
Mediolanum International Life dac, No. 3 Dublin Landings, North Wall Quay Dublin 1, Ireland	Central Bank of Ireland, North Wall Quay, Spencer Dock, Dublin 1, Ireland	Pricewaterhouse Coopers, Chartered Accountants & Statutory Audit Firm, 1 Spencer Dock, North Wall Quay, Dublin 1, Ireland

### Shareholders

The sole shareholder in the Company is Banca Mediolanum S.p.A. which holds 100% of the share capital of the Company. Banca Mediolanum S.p.A. is listed on the Milan stock exchange, it is a constituent of the FTSE MIB 40, and it is the holding company of the Mediolanum Group (the "Group"). The structure chart of the group is below.

## Mediolanum Financial Conglomerate Group Structure as at 31 December 2025



Parent Company

(\*) The company August Lenz & Co. AG – in liquidation – has no longer been part of the Mediolanum Banking Group as of 7 November 2022. The ECB acknowledged the exit from the Banking Group by decision dated 16 February 2023.

## A.2 Performance from Underwriting Activities

The Company is currently writing life assurance business in Spain, Germany and Italy on a freedom of establishment basis. The profit for the year ended 31 December 2025 after taxation as per the Company's Financial Statements was €22,256k (2024: €25,014k) and before taxation was €26,701k (2024: €29,428k). The profit for 2025 results from a mixture of new business and the existing unit-linked and index-linked portfolio. The total assets as at 31 December 2025 were €3,174,747k (2024: €3,117,914k).

The financial statements were prepared in accordance with the accounting standards FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and FRS 103: Insurance Contracts ("FRS 103"), which the company adopted from 1 January 2015 and Irish statute comprising the Companies Acts 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

MIL performed well in 2025, with premiums reaching €527,969k, a 26% rise from the previous year. This success is due to our collaboration with distributors and financial advisors, who maintain policyholder confidence and navigate market dynamics despite volatility.

Despite a number of product maturities, MIL's Assets under Management finished the year at €3,092,677k, 2.2% more than the previous year.

The figures below are presented on a Solvency II line of business basis, i.e., Index Linked and Unit Linked insurance.

The figures below have been taken from the Company's most recent financial statements which were approved and signed on the 26 of February 2026.

Premiums written by class and by territory for the year ended 2025 (with comparatives for 2024) were as follows:

Premium written by class and by territory	2025	2024
Spain - Unit linked	382,607	295,007
Spain - Index linked	81,357	18,257
Italy - Unit linked	50,838	96,186
Germany - Unit linked	13,167	10,920
<b>Total</b>	<b>527,969</b>	<b>420,370</b>

All numbers in €'000

The previous table reflects the sales in Italy, Spain and Germany in 2025. We can see the strong sales volume in Spanish premiums particularly in our regular premiums business which can be seen below.

Premiums written can be Single or Regular Premium in nature. Gross premiums written during 2025 and 2024 are represented below:

Gross Premium Written	2025	2024
Single Premium	263,503	174,143
Regular Premium	264,466	246,227
<b>Total</b>	<b>527,969</b>	<b>420,370</b>

All numbers in €'000

Gross claims during 2025 and 2024 were:

Gross Claims	2024	2023
Claims Paid*	558,523	969,857

All numbers in €'000  
\*Claims Paid does not include the movement in claims to be paid

Of the claims paid in 2025, €399,500k (2024: €798,167k) related to maturities. The decrease in maturities reflects the run-off of Italian Med Piu tranches over the course of 2025. The last of these products will mature during mid-2026.

	2025	2024
Death Claims	14,702	15,829
Maturities	399,500	798,167
Surrenders	139,725	146,928
Coupons	4,596	8,933
Claims Paid*	558,523	969,857

All numbers in €'000  
\*Claims Paid does not include the movement in claims to be paid

# Business and Performance

## A.3 Performance from Investment Activities

The Company has appointed as its investment manager Mediolanum International Funds Limited (MIFL), a group company. MIFL provides portfolio management services to the Company with respect to both Shareholder and Policyholder assets.

The Company is required to maintain assets to match its policyholder liabilities at all times. The following investments, cash and cash equivalents, other assets and liabilities are held to cover technical provisions for linked liabilities.

Cash/Assets held to cover linked assets	2025	2024
Investments in UCITS & Funds	2,455,189	2,284,546
Management Fees from Unit Linked Funds	(2,260)	(4,236)
Cash/Assets held to cover linked assets	115,404	83,661
- Bonds	200,960	400,075
- Options	2,728	3,942
- SICAV	132,820	128,660
- Swaps	(18,366)	(20,133)
- Certificates	82,092	64,817
- Forwards	84	(7,443)
<b>Total</b>	<b>2,968,651</b>	<b>2,933,889</b>

All numbers in €'000

We also note the Shareholder Assets.

Shareholder Assets	2025	2024
Debt Securities & other fixed income securities	92,537	67,699
Deposits with credit institutions	30,930	24,350
Linked assets held by Shareholder:		
- Bonds	276	45
- Options	170	56
- Swaps	(1)	(20)
- Certificates	113	20
<b>Total</b>	<b>124,025</b>	<b>92,150</b>

All numbers in €'000

In accordance with FRS 102, the investments have been classified as financial assets at fair value through profit and loss.

Investment income comprises dividends, interest and other income receivable, realised gains and losses on investments and unrealised gains and losses. Movements are recognised in the profit and loss account in the period in which they arise. Dividends are accrued on the date notified. Interest is accounted for on a time proportion basis.

Investment income by asset class for 2025 and the comparison for 2024:

Investment Income by Asset Class 2025	Income	Realised Gain/Loss	Unrealised Gain/Loss
Government bonds	7,777	4,123	6,066
Corporate Bonds	3,453	164	241
Collective Investment Undertakings	8	37,963	55,866
Structured Notes	-	1,204	1,771
Cash and Deposits	(240)	361	531
Call options	2,654	42	62
Collateralised Securities	954	94	139
Forwards	-	1	2
Swaps	-	(269)	(396)
Other investments	-	0	0
<b>Total</b>	<b>14,606</b>	<b>43,683</b>	<b>64,282</b>

All numbers in €'000

Investment Income by Asset Class 2024	Income	Realised Gain/Loss	Unrealised Gain/Loss
Government bonds	5,548	614	2,426
Corporate Bonds	22,121	(14,252)	43,018
Collective Investment Undertakings	486	66,413	242,017
Structured Notes	-	3,873	3,040
Cash and Deposits	33	2,415	(328)
Call options	998	(1,472)	940
Collateralised Securities	1,908	296	843
Forwards	-	451	(27,506)
Swaps	-	8,146	2,399
Other investments	7	258	174
<b>Total</b>	<b>31,101</b>	<b>66,742</b>	<b>267,023</b>

All numbers in €'000

# Business and Performance

The investment performance in 2025 in comparison to 2024 saw the following:

- Income has decreased during the year mainly as a result of the decrease in bond portfolio and holdings in Corporate Bonds as a result of the products which matured during the year.
- Higher realised and un-realised gains in comparison to the previous year mainly due to a significant increase in the global equity markets which were strongly positive during 2025.

## A.4 Performance from Other Activities

Income for the Company includes a fund management fee which is charged to investment linked contracts for contract administration services, investment management services and other services related to the administration of investment linked contracts. Fees are recognised as revenue for the services provided. A unit trust management fee rebate was also received by the Company. Fund Management Fees have decreased in comparison to 2024 due to the Med Piu product maturities during 2025.

Other Technical Income	2025	2024
Fund Management Fee	15,728	19,756
Unit Trust Management Fee Rebate	20,997	20,822
Other income	5,971	5,374
<b>Total</b>	<b>42,696</b>	<b>45,952</b>

All numbers in €'000

## A.5 Any Other Disclosures

There were no other material matters or significant events in respect of the business or performance of the Company that occurred during 2025 that had a material impact on the undertaking.

# System of Governance

MIL is authorized by the Central Bank of Ireland as a Life Insurance Undertaking in accordance with Annex I of (S.I. No. 485 of 2015) the European Union Insurance and Reinsurance Regulations 2015) to sell classes of life insurance I, III and IV

## B.1 General Governance Arrangements

This document has been prepared in accordance with the Solvency II Directive as transposed into Irish law, EIOPA guidelines and the Central Bank of Ireland's Domestic Actuarial regime and Related Governance Requirements.

Other regulatory requirements taken into consideration include Corporate Governance Code for Insurance Undertakings 2015, Fitness and Probity, AML/CTF and the SEAR Regulations.

### B.1.1 Organisational Structure

The below chart provides an overview of the central functions and bodies within the overall governance system as well as their major tasks and obligations.

### B.1.2 Board of Directors

The Company is managed and supervised by its Board of Directors (also, the "Board"). The composition and operation of the Board adheres to the requirements of the Corporate Governance Requirements for Insurance Undertakings, 2015 during 2025. During the year there were five Directors, three of whom are Irish residents. As of the 31st December 2025 the Board comprised of one executive director, two non-executive directors and two Independent Non-Executive Directors (one of whom is the Chairperson).

The Board of Directors ensures the effective implementation of a robust internal control system and an enterprise wide risk management framework. It also develops and approves the strategic vision for the business and empowers the Executive to implement that vision.

The Board retains responsibility for overseeing and monitoring the strategy and management of the firm. This includes strategic business decision making and delegation of day-to-day responsibility for managerial functions to the Company's management (in particular to the General Manager), who monitors and reports on the operations of the Company.

The role of the Non-Executive Directors under the Chairpersons leadership includes:

- To participate actively in constructively challenging and developing strategies proposed by the executive team;
- To participate actively in the board's decision-making process;
- To participate actively in board committees i.e. Risk and Audit and
- To exercise appropriate oversight over execution by the executive team of the agreed strategies, goals and objectives and to monitor reporting of performance

**Board of Directors:** Overall responsibility for Company-wide risk management and definition of the Risk Appetite

**Risk Committee:** Risk Management, monitoring and co-ordinating body as well as implementation and safeguarding of a consistent risk management culture

**Risk Management Department:** Risk monitoring across the company as a whole and the business groups of all material risks from a company perspective.

**Chief Risk Officer:** Responsible for holistic risk monitoring across the company and the business groups of all material risks from the company perspective

**Head of Actuarial Function:** Ensures adequacy of the methods used and underlying models in relation to calculation of technical provision.

**Compliance Officer:** Monitoring of all areas where mis-conduct can result in civil actions or criminal / administrative proceedings.

**Internal Audit:** Process independent and company wide monitoring on behalf of the Board of Directors.

**Audit Committee**

**MIL Departments, Branch Network & Representative Officers:** Risk monitoring and initial risk responsibility for risk identification and assessment on the branch and company level

# System of Governance

The key role of the Independent non-executive directors is to bring an independent viewpoint to the deliberations of the board that is objective and independent of the activities of the management and of the insurance undertaking.

The responsibilities of each of the Board members are captured within their Individual Statement of Responsibilities.

In 2025 the Chair of the Board and Risk Committee resigned with an effective date as of 31st December 2025. MIL communicated this resignation to the Central Bank of Ireland where MIL is in process of actively recruiting for a replacement Independent non-executive director to join the Board expected to be in place in early 2026.

## B.1.3 Changes In The System of Governance

The Senior Executive Accountability Regime (SEAR) came into full effect on 1st July 2025 where the remaining requirements applicable to the (Independent) non-executive directors came into effect. It requires in-scope firms including life insurance undertakings such as MIL to set out clearly where, responsibility and decision-making lie within the firm's senior management. SEAR is designed to ensure clear, documented, and enforceable accountability for senior executives in regulated firms.

It imposes a Duty of Responsibility on persons carrying out Pre-Approval Controlled Function (PCFs/CFs) roles in such firms which has been achieved through defining roles and responsibilities within the company's governance documentation including the (i) Management Responsibility Map and (ii) Statement of Responsibilities for Senior Managers and PCF Holders.

In addition, MIL has put in place a Conduct Standards Policy which sets out how MIL and relevant Pre-Approved Control Function (PCF) and Control Function (CF) role holders (including relevant employees, contract employees and directors) engaged by MIL are required to meet their obligations under the IAF Conduct Standards.

## B.1.4 Key Functions: Roles & Responsibilities

Below we identify the key functions (PCF Holders) within the company which includes a brief outline of their primary roles and responsibilities. Further details of each PCF Holders' responsibilities are captured within their Statement of Responsibilities.

### PCF II - Chief Finance Officer

The Chief Financial Officer (CFO) is responsible for managing and supervising all accounting processes related to the Firm, including:

- Accounting and financial matters: Supervise financial analysis performed by the accounting department
- Tax matters: Deals with all taxation issues concerning the Company;
- Capital: Ensures the company meets its Capital Requirements at all times.
- The Chief Financial Officer is responsible for the below core activities:
- Maintaining adequate accurate and effective accounting processes, ensuring all statutory, regulatory and ad-hoc reporting requirements are implemented.
- Manage and Supervise the Key Processes (Tax, Legal) to ensure activities are concluded in a timely and accurate manner.
- Engage with CBol within PRISM framework and ensuring all regulatory returns are completed.

### PCF I2 - Head of Compliance

The Compliance Officer ensures compliance with all applicable laws and regulatory requirements ensuring arrangements are adequate to minimize and mitigate all identified compliance risks. The Compliance Officer is an independent function responsible for assisting the Company in complying with its obligations under all applicable legislation and regulations.

In particular, the Compliance Officer is responsible for:

- developing a risk-based compliance strategy;
- drafting internal policy in accordance with the Insurance Acts and Regulations, Solvency II, Insurance Supervisory Authority guidelines and other applicable legislation;
- monitoring the implementation of the compliance model, associated controls and reporting periodically on the control deficiencies to the Board

### PCF 13 – Head of Internal Audit

The Head of Internal Audit (Internal Audit) reports to the Chair of the Audit Committee and is responsible for assessing the functionality of the entire internal control framework, in terms of appropriateness and effectiveness, as well as identification of breaches of procedures, rules and regulations. The function reports on the status and the outcome of its activities to the Audit Committee and informs the Central Bank of Ireland of its activities by providing the audit reports on demand.

Internal Audit Function carries out “third-level” verifications/audit engagements to ensure regular performance of operations and evolution of risks and evaluates the completeness, adequacy, functionality and reliability of the Company’s organizational structure and other components of the Internal Control System. The function can also provide, at the request of management, support and advice on the design, operation and improvement of the internal control system of the Company.

### PCF 8 – Chief Executive

The Chief Executive of MIL (PCF-8) is responsible for ensuring that the instructions of the Board of Directors are duly implemented in a timely manner. The Chief Executive is also responsible for ensuring continuity and regularity in MIL’s daily activities and services and regularly refers to the Board in relation to the activities of the Company.

The Chief Executive reports directly to the Board of Directors and he is responsible for:

- carrying out the strategic guidelines laid down by the Board and defining rules and accountability;
- constantly verifying the organisational structure and ensuring the efficient running of MIL
- overseeing the accounting, operational, and administrative activities;
- ensuring arrangements for appropriateness of System of Controls are in place
- defining information flows between MIL’s internal units and to external parties;
- providing strategic investment advice to the Board of Directors

### PCF 14 – Chief Risk Officer

The Chief Risk Officer (CRO) reports to the Chair of the Risk Committee and is supported by the Risk Management Function.

The objective of the Risk Management Function is to identify, monitor, measure and manage the risks of the company as well as those of the policyholders (with the exception of insurance risk which is measured and monitored by the Head of Actuarial Function). The CRO ensures that adequate procedures for each risk are in place, and that the firm has enough capital to cope with these risks and is responsible for ensuring the ORSA Process is implemented within the company.

The CRO provides the Risk Committee and Board of Directors with information providing assurance that all risks to which MIL is exposed are identified, assessed, measured, monitored and treated. This information also enables the committee and Board to assess the adequacy of MIL’s Risk Management Framework and the Risk Management Function.

### PCF 52- Money Laundering Reporting Officer

MIL has appointed a Money Laundering Reporting Officer (MLRO) to ensure that MIL fulfil its obligations pertaining to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (amended).

The MLRO is responsible for:

- Review any relevant industry updates pertaining to anti money laundering and terrorist financing (MLTF) and the impact to the business.
- Communicate with relevant authorities all information pertaining to suspected MLTF activities.
- Ensure compliance with the Criminal Justice Act 2010 as noted above
- Ensure efficient, risk-based ongoing monitoring processes in place to mitigate the risk of potential MLT activities going undetected.
- Perform a risk assessment of the Company to MLTF and ensure appropriate control framework and effective activity oversight is in place.

### PCF 48 – Head of Actuarial Function

The Head of Actuarial Function (HoAF) reports directly to the Board of Directors. The function is required to comply with the relevant solvency regulations, Domestic Actuarial Regime and Related Governance Requirements under the Solvency II regulation.

The Head of Actuarial Function has a number of responsibilities including:

- Co-ordinating calculation of Technical Provisions and assess appropriateness of methodologies and assumptions used;
- Contribute to the effective validation and assess data quality used in the Technical Provisions;
- preparation and presentation of the HoAF Report, Actuarial Opinion on Technical provisions, review of ORSA;
- preparation of the Reporting Actuary’s report for financial statements purposes in respect of the year end accounts;
- on-going advice and support to the management and Board of MIL on Actuarial related issues.

## B.1.5 MIL Committees

The current committees in operation in the Company are as follows:

### Risk Committee

Authorised by the Board of Directors ("Board") with the purpose of assisting the Board in providing leadership, direction and oversight of MIL's risk appetite, tolerance, risk strategy and risk management framework and of the risk aspects of major investments and corporate transactions. Its primary function is the on-going monitoring and control of all financial, operational and insurance risks associated with the activities of the company. The board of MIL acts as the risk committee as allowed under the Insurance Corporate Governance Code. The committee is governed by Terms of Reference which is approved by the Board

### Operations Committee

Established to ensure smooth and efficient operational flows from the ongoing activities of the company. It ensures processes are both in place and implemented in order to monitor and control on an ongoing basis the branch and third party administrator operations. It is also responsible for ensuring that any other business strategies or actions and recommendations as a result of the monitoring program in place are submitted by the Committee to the Board of Directors. The Committee also ensures compliance with the regulations and laws as established by the Central Bank of Ireland, and it considers also specific local rules applied in the foreign markets where the company branches are based.

### Audit Committee

Responsible for assisting the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Group's process for monitoring compliance with laws and regulations and the business principles.

The board of MIL acts as the audit committee as allowed under the Insurance Corporate Governance Code. The committee is governed by Terms of Reference which is approved by the Board

### Projects Committee

Support departments involved in new / ongoing projects. The Committee refers to Mediolanum Project Management Framework (MPMF) which is a project management methodology that seeks to control the key components of a project, namely: Roles & responsibilities, Cost Resources, Scope, Time and Process. Each stage of a project concludes with a formal governance control point where the initiative is scrutinised and evaluated by the Project Committee. The Organisation Department ensures projects are set up and documented correctly, and works with Project Committee to ensure that the appropriate governance control points are adhered to.

### Product Committee

Plays a pivotal role in terms of the Governance and internal support structure behind MIL's product development process, MedInSynC®. This development process ensures MIL's core brand values of Client Centricity, Investment Quality and Excellence in Execution are embedded in each and every Insurance solution tailored for our retail client needs.

The product committee supports ideation, product development and ongoing monitoring review as well as the evolution of our product solutions.

### Management Committee

The Committee, following the Board of Directors' guidelines and business strategies, focuses on establishing and aligning strategic goals, reviewing financial plans and performance metrics, ensuring regulatory compliance, approving major initiatives and risk management strategies, overseeing resource and talent management, monitoring conduct and culture, integrating sustainability considerations, overseeing technology execution, managing facilities and health and safety, and facilitating communication and coordination among departments.

The Risk Committee and Audit Committee are Board Sub Committees and report directly to the Board. The Product, Operations, Projects and Management Committee are internal Management committees.

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## B.1.6 Remuneration Policy & Arrangements In Place

The MIL Remuneration Policy reflects the Company's objective of ensuring that all key identified staff carefully evaluate the risks inherent in all decision making and ensuring that decisions are in line with the Company's business strategy and values. It ensures that the Company is able to attract, develop and retain high-performing and motivated employees in a competitive and international market. It endeavors to ensure that employees are offered a competitive remuneration package in order to ensure the company meets its long term business objectives. The policy is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking and defines performance goals and objectives for all employees that are aligned with the business.

There are two remuneration components (i) Fixed remuneration is determined on the basis of the position and role of the particular employee, including responsibility and job complexity, performance and local market conditions, (ii) Variable remuneration is performance based which motivates and rewards employees who strengthen long term client relations and generates income and shareholder value. It promotes sound risk management and does not encourage excessive risk taking.

MIL operates a deferral aspect to variable pay where Variable Remuneration exceeds the incentive threshold. The current threshold is €50,000 or 1/3 of total remuneration and where this threshold is exceeded, the bonus of the relevant individual is subject to a deferred payout process. Other additional benefits include company pension plan, life assurance and permanent health insurance. The Board approves the Remuneration Policy each year and review versus previous years to ensure it is consistent with and promotes a sound and effective risk management framework and does not encourage excessive risk taking.

## B.1.7 Group Interaction

MIL is part of the Mediolanum Insurance Group and adopts Mediolanum Group methodologies and processes pertaining to the Solvency II process, wherever possible. Nevertheless, the Solvency II processes at a local legal entity level has full regard to MIL as a stand-alone legal entity and takes into account the expectations of the Central Bank of Ireland as the lead supervisor of MIL.

## B.1.8 Material Transactions

A dividend of €11,128k was declared from the 2025 profits by the Directors on 26 February 2026. In 2025, no dividend was paid to the shareholder, Banca Mediolanum S.p.A.

## B.2 Fit and Proper Requirements

MIL incorporates the provisions of the Central Bank Reform Act 2010 Part III in its recruitment process.

This takes into consideration the requirements under the Fitness and Probity Standards 2025 and associated guidance and the Fit and Proper requirements under Article 42 of Solvency II Directive and Article 273 of Solvency II Regulations .

The requirements under Fitness and Probity were taken into consideration as part of the new requirements under the Central Bank (Individual Accountability Framework) Act 2023 (the IAF Act). IAF is a regulatory framework introduced by the Central Bank of Ireland in 2023 which came into full effect in July 2025 to enhance governance, performance, and accountability in the financial services sector.

### Approved Function

PCFI - Executive Director

PCF2A - Non-executive Director

PCF2B - Independent Non-executive Director

PCF3 - Chair of the Board

PCF4 - Chair of the Audit Committee

PCF5 - Chair of the Risk Committee

PCF8 - Chief Executive Officer

PCF11 - Chief Finance Officer

PCF12 - Head of Compliance

PCF13 - Head of Internal Audit

PCF14 - Chief Risk Officer

PCF16 - Branch Manager of branches in other EEA countries outside Ireland (where business arising from the branch amounts to 5% or more of assets, revenues or gross written premiums)

PCF48 - Head of Actuarial Function

PCF52 - Head of Anti-Money Laundering and Counter-Terrorist Financing Compliance

All proposed appointments which are prescribed PCFs by the Central Bank's Fitness and Probity Standards (the "Standards") require prior approval from the Central Bank of Ireland. There is no requirement for prior approval to be received in relation to those proposed appointments which fall within the definition of Controlled Functions ("CF") prescribed by the Standards however MIL must be satisfied that all such appointments are meeting fitness and probity standards set out by the Central Bank. The Standards require that persons performing CF and PCF roles:

- are competent and capable of performing the role;
- act honestly, ethically and with integrity;
- are financially sound.

MIL has a Fit and Proper Policy which is approved by the Board annually. It incorporates the prescribed appointments process required by the Central Bank of Ireland and identifies who is in scope, how fitness and propriety will be assessed for both new employees and on an ongoing basis and the governance arrangements in relation to individuals being approved as being fit and proper (including MIL's requirements concerning skills, knowledge and expertise applicable to persons who effectively run the business).

Following the introduction of the IAF Act, an additional requirement was introduced whereby a certificate of compliance with the Standards (a "Certificate") given by the Firm must now be in force in respect of each CF/PCF. The company has produced the first Certification document for 2025.

In addition to the Board of Directors which includes (INEDs PCF2B and NEDs PCF 2A), outlined above is a list of the Central Bank pre-approved PCF Holders in place within MIL as at 31 December 2025.

The Company has in place a policy which identifies roles that are "Control Function" and ensures that these designated individuals are fully aware of their responsibilities.

### **B.3 Risk Management System including Own Risk and Solvency Assessment**

MIL's Risk Management System is fully embedded across governance, operational and strategic processes. It supports the Board in discharging its responsibilities under Solvency II and aligns with the MIL Risk Appetite Framework. The system operates as a continuous cycle of identification, quantification, monitoring and reporting of risks, with the ORSA acting as the central process linking risk, strategy, and capital. The framework has been further strengthened in 2025 through enhanced emerging-risk scanning, refined stress testing, improved KRI escalation mechanisms and incorporation of SEAR/IAF governance provisions.

The Risk Management Framework is embedded in all key decision-making processes, including product governance, operational change, investment strategy and outsourcing reviews. Risk appetite limits and KRIs are monitored by the management committee and by the Board Risk Committee, with breaches escalated.

The Solvency II Directive requires insurers, as part of their risk management system, to perform an own risk and solvency assessment (ORSA). This assessment requires MIL to properly determine its overall solvency needs to cover both short and long-term risks. The risk-based approach requires, amongst other things, that MIL holds an amount of funds commensurate with the risks to which it may be exposed and thus the ORSA represents MIL's opinion and understanding of its risks, overall solvency needs and own funds held.

The intention of MIL's ORSA is to enhance awareness of the interrelationships between the risks MIL is currently exposed to, or may face in the long term, and the associated capital requirements. As a management tool it is designed to enhance risk awareness in the decision-making processes, forming an integral part of the overall business strategy and to assist MIL in obtaining a real and practical understanding of the risks it is assuming. MIL's ORSA helps to ensure that the company can continuously meet its regulatory capital requirements, as well as the internal capital targets in the face of changes to our risk profile and business plans, as well as the impact of developments in the external environment. The ORSA is prepared giving consideration to the local MIL business requirements however the results also feed into the Group ORSA.

The MIL ORSA process provides a review of the Solvency assessment for the company and the key risks impacting its business model over the short to medium term.

A risk identification exercise is performed to highlight those risks that should be captured within our Risk Appetite Framework.

Our framework uses the Standard Formula Approach. The capital requirement is determined as the 99.5% confidence level. This analysis is supplemented by a suite of portfolio stress tests which target key risks present within the asset portfolio at any one time. The stress tests performed will vary over time as the composition of the asset portfolio, and hence risk profile of the company, changes. The results of the stress testing analysis form a key input to risk management and investment decisions.

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A further important component of the ORSA process is the forward-looking risk assessment. Here an analysis is performed which considers risks and extreme scenarios that could render the business model non-viable. The analysis captures both quantitative and qualitative factors and provides a framework by which the impact of all identified events can be mapped to our business plan and capital requirements.

The ORSA includes consideration of the suitability of the standard formula capital calculation. At this time Management believe that the standard formula calculation adequately captures the risk profile of MIL and that development of an internal model is not required. While an annual ORSA report is produced, the ORSA process is continuous and helps inform our business strategy and capital requirements over time.

The Board is involved throughout the ORSA process, and partakes in setting the risk appetite, approving both long-term and short-term capital planning, and approving the suite of stresses that should be applied to our business model. The Risk appetite statement and Risk Register are subject to annual Board review to assess the on-going appropriateness of the business' risk profile and whether it is reflected accurately in the ORSA. The ORSA is formally approved by the Board on an annual basis or more frequently if required. The Group entity and MIL organisational units are also involved in the ORSA process.

## B.3.1 ORSA Process And Risk Management System

The Board of Directors has implemented a risk governance framework that ensures an integrated and aligned approach between the following:

- the areas where it considers the institution to be especially vulnerable;
- the risk mapping and appetite of the institution; and
- the risk management system of the institution.

Our Risk Framework, policies and procedures governing the system of limits and thresholds for material risks governing MIL, describe the central elements of our risk management system. The ORSA Process and risk management system are subject to a continuous cycle of planning, action, control and improvement. Systematic risk identification, analysis, measurements, steering and monitoring as well as risk reporting are especially crucial to the effectiveness of the system as a whole.

The Risk Management framework describes, amongst other things, the major tasks, roles and responsibilities and the risk control process. The rules implemented additionally take account of the regulatory minimum requirements for risk management as well as international standards and developments relating to appropriate risk management.

The Risk Management Framework is designed to identify, measure, manage, monitor and report significant risks to the achievement of our business objectives. It is inherently linked to the ORSA Process.

The core elements of our framework are as follows:

- Risk Management Framework & ORSA Process
- Risk Identification, Mapping and Assessment
- Risk Appetite & Strategy
- Risk Register and Key Risk Indicators
- Communication and Culture
- Monitoring & Reporting
- Solvency II Capital Management
- Board & Committee Engagement



### B.3.2 Risk Strategy & Objectives

The MIL risk appetite framework articulates the risk capital of the business available for deployment in pursuit of its strategic objectives. It defines the type of risk which MIL is willing to take on, and the level of risk that is considered appropriate for each of the main areas of risk that the Company faces.

The Company is only willing to take the minimum level of risk necessary to carry out its business and to be profitable. MIL will not take on risks in areas where the risks are considered to be excessive, or risks where the consequences of failure are deemed to be too severe.

The Risk Strategy is consistent with the Company Strategy and Business Plan. MIL seeks to constantly maintain and develop a holistic Risk management system to identify, control and promote awareness of all pre-existing and emerging risks.

Analysing risks on a quantitative and qualitative basis enables MIL to ensure that risks are within our prescribed appetite, and these are monitored and controlled accordingly. It is also MIL's intention to maintain a risk management system which is commensurate to the nature, scale and complexity of the risks faced and to foster a suitable risk culture in the company.

### Data Governance Framework

MIL, in order to ensure the quality of the data used for the measurement and management of risk exposure, in line with the requirements of the regulations and internal processes has implemented a data governance policy that allows compliance with the requirements of accuracy, completeness and appropriateness of the data used. The Data Governance policy sets out details of the Data Governance framework being followed within MIL.

In conjunction with the Risk framework, the Data Governance Framework was enhanced in 2019 under the responsibility of a Head of Data Governance.

The Data Governance Framework adopted in this document is a set of guidelines to be followed during the data lifecycle from data creation to disposal. The framework covers the following key areas and guidance on each.

- Data Governance Principles
- Data Governance Working groups
- Data Quality
- Data Lifecycle
- Data Usage
- Data Protection

### Risk Management Process

The company places a high degree of importance in ensuring that our Risk Management process continues to keep pace with best-in-class solutions and practices available in the industry. We strive to keep abreast of the latest technological developments in risk management and integrate appropriate platforms where we identify an opportunity to enhance value to our existing Investment Risk Process. The company maintains an industry leading GRC and climate risk quantitative assessment tool in addition to its existing suite of solutions.

### B.3.3 Risk Appetite and Tolerance

The MIL Risk appetite is articulated in the Statement of Risk Appetite which is owned by the Board and reviewed at least annually or every time there is a material change of the risk profile of the business. MIL operates within the risk management system of the Group entity.

The risk appetite statement sets out various risk tolerances, which are in turn translated into risk limits that are observed by the business. The risk limits are documented in key policy documentation which are approved by the Board on the recommendation of the Risk Committee. These are maintained on an ongoing basis and reviewed not less than annually.

The methodology for defining the Risk Appetite and Capacity, adopted by MIL, is consistent with the Insurance Group methodology. MIL has reviewed this methodology and is satisfied that it is appropriate to the local legal entity and chooses to adopt a local risk-based approach where deemed appropriate. MIL has established a Strategic Solvency Target and incorporated two buffers ("level of confidence") around this to ensure deviations from appetite are effectively monitored and an acceptable tolerance level is in place.

The Risk Capacity is defined as the capital required in order to ensure sufficient coverage of the Solvency Capital Requirement, as defined by the Solvency II standard formula approach

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## B.3.4 Risk Identification, Analysis & Assessment

MIL assesses its underlying risk profile and whether these risks are within the risk appetite on an on-going basis. A Risk Mapping assessment is conducted to determine the risks applicable to the Company and ensure there is sufficient understanding and appropriate mitigation of same across the business. These are then mapped to the MIL Risk Register.

Key risk indicators, mitigating actions plans and controls are in place to manage the identified risks are detailed in the risk register, which is maintained by the Risk Department and is subject to annual review at a minimum. Risk identification is important for ensuring that our risk management consistently remains up to date. Emerging risks are also considered on a regular basis to anticipate the trends and evolutions that could impact the business profile of the company.

In principle, every risk that is identified and considered material is quantitatively assessed. Only risk types for which quantitative risk measurement is currently not possible or difficult are qualitatively assessed (for instance Business Model or Reputational Risk).

## B.3.5 The ORSA Process

- I. Perform an initial assessment which encompasses:
  - Review of Business Objectives and Business Plan
  - Identification of risks to meeting the Business Objectives and Plan
  - Review of Risk Profile against the Risk Appetite
  - Consideration of appropriate scenario/stress tests to be applied to each risk area and whether the tests applied by the Solvency II standard model agree with MIL's risk profile
  - Apply more appropriate scenario/stress tests where appropriate/required
2. Consider the results of the ORSA conducted (based on the initial assessment) to determine if the Board is satisfied with the outcome or if additional analysis is required
3. Determine if the required regulatory capital is sufficient to ensure MIL has capital to mitigate its risks as identified in the ORSA process, or if additional capital review should be applied to ensure risk mitigation.
4. The Board approves the ORSA report.
5. The Central Bank of Ireland's ORSA template is completed and submitted using their portal.

The Risk Committee also assists the Board in discharging its responsibilities for:

- The effectiveness of the Company's risk management systems;
- The implementation of the Company's risk strategy and maintenance thereof;
- The oversight of Solvency II developments;
- The oversight of investment issues;
- The timely reporting of material deviations from defined risk appetite; and
- Monitoring the effectiveness, independence and objectivity of the Risk function

## B.3.6 Risk Communication and Culture

MIL is very cognisant of the role played by culture in influencing behaviours within a business and the attitude of various business units to risk drivers and an appropriate management of these. The key starting point for MIL is having a high calibre Board in situ who are intimately au fait with the business model and operating environment of MIL and associated challenges. This is evidenced by the calibre of individuals sitting on the Board and both the experience and breadth of experience they bring to the process. Key factors considered by the Board in defining the business strategy for the company include:

- Ensuring alignment of the tone at the top with tone at the middle
- Ensuring ownership and accountability are adopted as priority behaviours for all staff
- Ensuring the forums exist to promote effective challenge and communication at all levels of the business

Risk communication within the business takes the form, for example, of internal and external risk reports, information on risk activities via the MedUncovered program and training opportunities for staff. The regular sharing of information between risk-steering and risk-monitoring units is also fundamental to the proper functioning of risk management.

The Company takes pride in its culture. A review of the culture was recently conducted with tangible actions identified to enhance the company's culture.

### B.3.7 Risk Monitoring & Reporting

The monitoring of all identified material risks is a core task of the Risk Management function. This includes, inter alia, monitoring execution of the risk framework as well as adherence to the defined limits and thresholds and to risk-related methods and processes. Risk mitigating measures are implemented where necessary.

The results of the risk management monitoring exercise are captured within reporting packs that are provided to the business, including senior management. This pack also forms a recurring agenda item at the Risk Committee. The board receives a Management Information pack, which includes a risk section, extracts from the above monitoring exercises and comments on key trends over the period. An ongoing "Early Warning System" using Key Risk Indicators is also included to feed the Risk Register summary presented to each Risk Committee meeting.

Selected themes are also discussed at the Risk committee with the minutes forming part of the discussion.

Our risk reporting provides systematic and timely information about all material risks and their potential implications.

The central risk reporting system consists primarily of regular risk reports, for example on the overall risk situation, adherence to the parameters defined in the risk appetite. Complementary to the regular risk reporting, immediate internal reporting on material risks that emerge on short notice takes place as necessary.

### B.3.8 Risk Mitigation

On a product-level, product design and underwriting processes help to identify and mitigate the behavioural risks and any possible anti-selection that may be exercised at the expense of MIL.

MIL ensures that currently implemented risk mitigation activities and processes remain suitable by monitoring their continued effectiveness via a structured control framework.

The primary elements of the MIL risk mitigation techniques are identified further in the Risk Profile section.

### B.3.9 Solvency Capital Management

The above process helps to determine the Solvency requirements given the company risk profile and any consideration of risks identified during the process. The Risk Management Process also takes into account the Capital management activities of MIL. Consideration of capital and dividends are formally reviewed within the Capital Management and Dividend policy.

In the interests of our shareholders and clients, we ensure that our risks remain commensurate with our capital resources. Our quantitative and qualitative risk management provides a uniform framework for the evaluation and steering of all risks affecting the company. The central component in risk management is the economic capital which is calculated according to market-consistent measurement principles under Solvency II using the standard formula. MIL's economic capital reflects all risks that influence the development of the economic capital. They are split into underwriting risk, market risks, counterparty default and operational risks.

The Capital Management and Dividend policy sets out the principles used to direct and control capital management within MIL. The policy aligns with the Risk Appetite Statement, Capital and Business Plan, ORSA Process and related risk policies. The Company's key capital management objectives are to:

- Ensure that all capital management actions are consistent with MIL's Risk Appetite, business and risk strategy.
- Ensure the timely identification of any non-adherence to the policy.
- Ensure at all times that MIL's own funds are correctly classified and remain within established guidelines and limits as laid down by the CBI/Solvency II.
- Ensure that the issuance of own funds is in accordance with the medium-term capital management plan
- Ensure that the terms and conditions of any own funds item are clear and unambiguous.
- Ensure that any statement in respect of dividends takes the Company's capital position into account.
- Identify instances when distributions of own funds are expected to be deferred or cancelled.
- Preserve capital and where prudent contribute to the growth of surplus for the benefit of the shareholder.

The Company seeks to maintain a capital buffer in excess of its SCR to cover contingencies. It is intended that this buffer will enable the Company to withstand significant equity shocks and reduction in sales volumes without the need to raise further capital in the medium term. The intended size of the capital buffer is specified by the Risk Committee and approved by the Board, with details of the approved Capital Buffer outlined in the Risk Appetite Statement.

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## B.3.10 Risk Committee

As outlined above within the Organisational structure, the Risk Committee is responsible for the operational risk management, monitoring and co-ordinating risk management as well as fostering a suitable risk culture.

<b>Risk Committee</b> Risk Management, monitoring and co-ordinating body as well as implementation and safeguarding of a consistent risk management culture		
<b>Risk Management Department</b> Risk monitoring across the company as a whole and the business groups of all material risks from a company perspective	<b>Chief Risk Officer</b> Responsible for holistic risk monitoring across the company and the business groups of all material risks from the company perspective.	<b>Head of Actuarial Function</b> Ensures adequacy of the methods used and underlying models in relation to calculation of technical provision

The Risk Committee is responsible for:

- Recommending MIL's overall risk appetite and tolerance to the Board for approval;
- Reviewing MIL's risk framework and approving risk policies, standards and limits within the overall appetite and tolerance approved by the Board;
- Reviewing the MIL processes for determining risk appetite tolerance, monitoring compliance with approved risk tolerance levels and policies and the resultant action in respect of policy breaches;
- Reviewing the material risk exposures, including insurance, market, credit, operational, liquidity, reputational and economic and regulatory capital risks against the risk methodologies and management's actions to monitor and control such exposures;
- Reviewing the stress testing and monitoring management's response to the results;
- Receiving notification of material breaches of risk limits and approving the proposed remedial actions;
- Reviewing and approving any new transaction to be executed which meets the criteria established by the Board and applicable policies;
- Advising the Board on the risk inherent in strategic transactions and business plans and the impact on the Group's risk appetite and tolerance.

## B.4 Internal Control System

The Board of Directors is responsible for ensuring a sufficient control system is in force by establishing, implementing and maintaining adequate internal control mechanisms designed to secure compliance with decisions, policies and procedures at all levels.

In order to be compliant with the provisions of all applicable laws, MIL maintains a permanent and effective control system to ensure the regularity of its services and activities, which provides for an effective internal reporting and communication of information at all relevant levels of the Company.

Responsibilities are based on a three-layered approach as detailed on the following page:

- **1st Line of Responsibility:**

The first level is the risk management level, which is the responsibility of the business unit managers. These are the people responsible for making the primary decisions in relation to risk. They are the people deciding which products to sell, what controls to put in place and they have the initial responsibility for managing risk. They are responsible for reporting any instances of non-compliance with policies and processes to the Compliance Function. They should provide the risk management, Internal audit, Compliance and actuarial functions with all of the facts relevant for the performance of their duties.

- **2nd Line of Responsibility:**

This is covered by the Risk and Compliance functions. The risk management function is responsible for providing risk oversight and risk management assistance to the first line including monitoring of breaches. The Compliance Function is responsible for ensuring compliance with applicable legislation and monitoring compliance of the underlying policies and processes.

- **3rd Line of Responsibility:**

This is covered by MIL Internal Audit Function who is responsible for providing independent assurance to the Audit Committee on the adequacy and effectiveness of the risk management framework, internal control system, operations and other elements of the system of governance. The Internal Audit activity evaluate the effectiveness and contribute to the improvement of the risk management processes. The Internal Audit Function will report any identified Risk, Control and Governance issue to the Audit Committee.

The Compliance, Risk Management, Internal Audit and Actuarial Functions are collectively known as the 2<sup>nd</sup> and 3<sup>rd</sup> lines of defence and Control functions. There are formal channels for these to communicate with each other, and reports to be made to their corresponding functions within the company. Proper information flows are in place in order to keep the Board of Directors informed of the outcome of the activities of the control system.

## B.4.1 Compliance Function

The Head of Compliance holds primary responsibility for the organisation's overall Compliance Program. This role operates as a centralised, independent function that provides advisory support to the first line of defence, helping the company meet its obligations under all applicable legislation. The Head of Compliance is responsible for ensuring that arrangements are adequate to manage and mitigate identified compliance risks.

The Function reports to the Board where the main responsibilities include:

- Oversees the implementation of the Compliance Plan, including the annual Monitoring Plan, which is submitted to and approved by the Board each year;
- Identifies regulatory compliance risks, including monitoring and evaluating changes in applicable laws and regulatory requirements that may impact the Company;
- Assesses the likelihood and potential impact of identified compliance risks materialising;
- Supports the governance framework by providing guidance, advice, and training on regulatory compliance matters to the Board of Directors, Senior Management, and Employees;
- Reports and, where appropriate, escalates regulatory compliance issues to the Board and Senior Management; and
- Manages and coordinates communications and the ongoing supervisory relationship between the Company and its Regulators.

Full list of Head of Compliance responsibilities are captured within its Statement of Responsibilities.

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The MIL Compliance Manual provides an overview of the role of compliance and monitoring undertaken along with an overview of the compliance framework. The responsibility for developing and managing compliance policies lies with the Head of Compliance. The policies are submitted for approval to the Board with final approved version available to all staff via Metricstream.

Key Compliance Policies include:

- Complaints Handling
- Conflicts of Interest
- Record Retention
- Data Protection
- IAF Conduct Standards Policy

## **The following key legislative changes came into effect in 2025 that were taken into consideration by MIL:**

- Digital Operational Resilience Act – (DORA) – came into effect in January 2025. It introduced rules on (i) Information and Communication Technology (ICT) risk management (ii) ICT-related incident management, classification and reporting (iii) Digital operational resilience testing (iv) Management of ICT third-party risk (including the introduction of an oversight framework for critical ICT third-party service providers) and Information sharing arrangements.
- Senior Executive Accountability Regime (SEAR) – the remaining requirements came into effect in July 2025 (applicable to NEDs and INEDs)
- Revised Fitness and Probity Standards 2025 – these replace and consolidate all previous Fitness and Probity Guidance.

## **B.5 Internal Audit Function**

MIL Internal Audit Function is independent of business management activities. It is not involved directly in revenue generation, or in the management and financial performance of any business line. Internal auditors have neither direct responsibility for, nor authority over, any of the activities they review. Nor does their review and appraisal relieve others of their responsibilities.

The Function reports functionally to the Audit Committee and administratively to the Chief Executive. The main responsibilities include:

- execution of a risk-based audit plan approved annually by the Audit Committee and the Board;
- distributing audit reports to those in the company who are required to take corrective actions;
- working independently and objectively to assess whether the risk management, governance and internal control processes are appropriately designed and operate effectively; and,
- preparing quarterly reports for the Audit Committee summarizing audit activity in the quarter, identifying material weaknesses in the internal controls environment, recommendations to remedy material weaknesses and updates on previously reported findings.

The Audit Committee:

- annually reviews and approves the Internal Audit Policy, where the purpose, scope authority and responsibilities of the Function are set out;
- reviews and recommends the appointment/removal of the Head of Internal Audit Function to the Board;
- annually assesses the performance and the effectiveness of the Internal Audit function; and,
- annually reviews and approves the function's organisational and reporting structure, budget and resources.

The Function maintains direct and unrestricted access to the Audit Committee and the Board.

The Audit Committee has the authority to promote independence, and make sure audit coverage is broad and audit reports are properly considered.

## B.6 Actuarial Function

The Actuarial Function is outsourced to Milliman via an engagement letter and the pre-approved Control function PCF48 position of "the Head of Actuarial Function (HOAF)" is held by a senior actuary within Milliman. The HOAF reports directly to the Board of Directors. The majority of the work carried out by the HOAF is required in order for the Company to comply with the relevant solvency regulations and the Domestic Actuarial Regime and Related Governance Requirements under the Solvency II regulation issued by the Central Bank of Ireland and to comply with the obligations set out in the relevant actuarial standards of practice issued by the Society of Actuaries in Ireland.

The actuarial function is required to:

- Co-ordinate the calculation of technical provisions;
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assess the sufficiency and quality of the data used in the calculation of technical provisions;
- Compare best estimates against experience;
- Inform the Board of the reliability and adequacy of the calculation of technical provisions;
- Oversee the calculation of technical provisions in cases where there is insufficient data quality;
- Express an opinion on the overall underwriting policy;
- Express an opinion on the adequacy of reinsurance arrangements; and
- Contribute to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements and to the Own Risk and Solvency Assessment.

The calculation of the Technical Provisions is outsourced to Mediolanum Vita, a Group Company.

# System of Governance

## B.7 Outsourcing/Service Provision

Due to its nature, scale and complexity of its business activities, MIL may enter into service agreements with third parties, where appropriate, in order to assist the Company to achieve its business objectives by delivering a consistent and quality service to its policyholders. MIL's Third-Party Management Policy describes the arrangements and oversight controls the Company has put in place over its outsourced service providers and its service providers. MIL ensures that the potential risks arising from the delegation of activities or functions to third party service providers are suitably and appropriately managed in accordance with its legislative and regulatory requirements. In doing so, it describes MIL's process for the selection, monitoring and assessment of service providers - from inception to termination of the relationship - following a risk-based approach.

MIL incorporates the legislative and regulatory definition of "outsourcing" in line with Solvency II and Central Bank Cross Industry Guidelines on Outsourcing in its process for appropriately categorising the nature of its service providers, taking into account its business model. MIL identifies its service providers that perform activities or functions which are classified as Critical or Important to ensure continuity in MIL's delivery of agreed services to policyholders.

The company maintains a Third-Party Register of its service providers classifying all its service level agreements, highlighting those considered Outsourcing arrangements, and service agreements in respect of critical or important functions or activities. Where outsourced arrangements are in place in respect of critical or important functions or activities, MIL ensures that the terms of a written outsourcing agreement are consistent with its obligations under Solvency II and associated Central Bank guidance. Such a written agreement must also ensure that, irrespective of whether or not a service provider is located in the EU, MIL's supervisory authorities will be able to assess how it complies with its obligations.

In addition, in relation to ICT third-party service providers, MIL applies the relevant requirements of the Digital Operational Resilience Act (DORA). MIL identifies and assesses ICT service arrangements within its third-party management framework and maintains the required register of ICT-related contractual arrangements. Where ICT services support critical or important functions, MIL applies enhanced oversight, due diligence, contractual controls and ongoing monitoring in order to support the operational resilience of the Company.

MIL performs a detailed pre-appointment examination of the potential service provider's ability and capacity (including any authorisation required by law where applicable) to perform the required activities in a satisfactory manner, taking into account MIL's objectives and needs. Such an approach helps to identify and manage any actual or potential conflicts of interest. The outsourcing process is assessed further by additional qualitative, quantitative and reputational checks in conjunction with the Risk department.

Critical or important outsourcing arrangements, together with other critical or important service providers, including ICT third-party service providers within the scope of DORA where relevant, that MIL has entered into through letters of engagement or other agreements, are set out on the following page:

Provider Name	Function	Services Provided	Outsourcing	DORA	Jurisdiction	Connected Group Entity
Accenture Limited	Administrator	Provider of the Life Policy admin system	Yes	Yes	Ireland	No
ARKK Consulting Ltd t/a ARKK	Regulatory Reporting Services	Platform to assist in FinRep & iXBRL conversion for reporting to Irish Revenue and the Central Bank respectively	No	Yes	UK	No
Banca Mediolanum SpA	Distribution Services	Distribution of funds in Italy	No	No	Italy	Yes
Banca Mediolanum SpA	Branch Support Services	<ol style="list-style-type: none"> <li>1. Tax Services: Advice on tax matters; Second level checks on tax returns; Determination of tax returns; Determination of VAT obligations</li> <li>2. Accounting and statements: invoicing; bookkeeping; payments execution and management of collections; Execution of tax payments on tax liquidations</li> <li>3. Corporate Services, Integrated Logistics, security and safety</li> <li>4. Dispute handling</li> <li>5. HR Services</li> <li>6. Business Continuity</li> <li>7. ICT Services</li> </ol>	Yes	Yes	Italy	Yes
Banco Mediolanum SA	Distribution Services	Distribution of funds in Spain	No	No	Spain	Yes
Banco Mediolanum SA	Payment Agent	Paying Agency Services	No	No	Spain	Yes
BNP Paribas S.A.	Custodial Services	Custodial Services	No	No	Luxembourg	No
Calastone	ICT Services	<p>Calastone owns and maintains an electronic messaging network that facilitates the exchange of electronic trading communications between financial institutions.</p> <p>MIL wishes to contract with Calastone for the use of Calastone's electronic messaging network and other services provided by Calastone on the terms and conditions of this agreement</p>	No	No	UK	No
Cedacri S.p.A	ICT Services	Cedacri processing services for Milan. Financial analysis	No	Yes	Italy	No
Fairmat	KID Production	<p>Language/Market dependent PRIIPs KID Generation and provision of future performance scenario data for display on the MIFL website to satisfy PRIIPs ref requirements.</p> <p>Reporting to Consob - Italian regulator via their platform and assistance in preparing information for KIDS and submitting report to Consob</p>	Yes	Yes	Ireland	No

# System of Governance

Provider Name	Function	Services Provided	Outsourced Provided	DORA	Jurisdiction	Connected Group Entity
Mediolanum International Funds limited (MIFL)	Shared Services (incl ICT Services)	AML Services; IT Services; HR Services; Legal Services; Sales Support Services; Marketing Services; Compliance Support Services; Risk Support Services; Product Support Services Financial Planning and Analysis	Yes	Yes	Ireland	Yes
Mediolanum International Funds limited (MIFL)	Investment Management Services	Investment Management Services- Treasury	Yes	Yes	Ireland	Yes
Mediolanum Vita SpA ('MedVita')	Risk Management	Provide calculations on solvency and stress testing results for ORSA	Yes	No	Italy	Yes
Mediolanum Vita SpA ('MedVita')	AML/CTF & Internal Audit Support	(i) AML support services for the Insurance company and (ii) Internal Audit support services which captures Internal Audit of AML processes in Italy on periodic basis	Yes	No	Italy	Yes
Milliman Limited	Actuarial Services	Head of Actuarial function and support on actuarial function via reporting to board	Yes	No	Ireland	No
Refinitiv Limited (LSEG)	AML/CTF	Platform for undertaking AML checks through Worldcheck	No	Yes	UK	No
SSEC Wealth & Insurance (originally known as DST)	Administrator	Administration of the Fund's affairs including maintaining the Fund's accounting records and calculating the Net Asset Value of each Fund / sub-Fund	Yes	No	Ireland	No
State Street Custodial Services (Ireland) Ltd	Custodial Services	Responsible for the safekeeping of the assets of the Fund	No	No	Ireland	No
XpertDPO	DPO	Outsourced DPO services	Yes	No	Ireland	No

# System of Governance

## B.8 Assessment of Governance

Reviews of the effectiveness of the Board and associated committees of MIL are carried out on a regular basis, taking into account the requirements of the Corporate Governance Code for Insurance Undertakings 2015 and Solvency II requirements.

Internal audits, external audits and PRISM engagement from the Central Bank of Ireland provide independent evaluation of the company's system of governance. Recommendations from these are considered by the Board of Directors and implemented proportionate to the business risks. The company also considers relevant Group guidance and implements Group policies and processes locally where applicable on a risk-based approach and ensures continued compliance to the Insurance Group methodology.

The results of the ORSA conducted during 2025 show that the Company has sufficient capital to meet its Solvency II capital obligations in the event of a variety of reasonably foreseeable scenarios. Continuous Board engagement, various internal compliance reviews, audits of the ORSA process and reviews of the IT cycle (including data governance) all contribute to ensure an effective governance framework.

The Company adopted a Recovery Plan in 2022, which is subject to review every 24 months in accordance with the Recovery Plan Regulations. The most recent review was completed in June 2025 and included updates to key assumptions, recovery options, strategic analysis and recovery indicators, reflecting the Company's balance sheet as at year-end 2024. This shows that the Company is resilient even in severe stress scenarios and that it has a range of recovery options to maintain its regulatory capital position in such scenarios.

## B.9 Any other Material Information regarding MIL's System of Governance

There was no other material information regarding MIL's system of Governance that occurred during 2025.

# Risk Profile

## C.1 Risks Covered

The MIL risk appetite framework articulates the risk capital of the business available for deployment in pursuit of its strategic objectives. It defines the type of risk which MIL is willing to take on, and the level of risk that is considered appropriate for each of the main areas of risk that the Company faces.

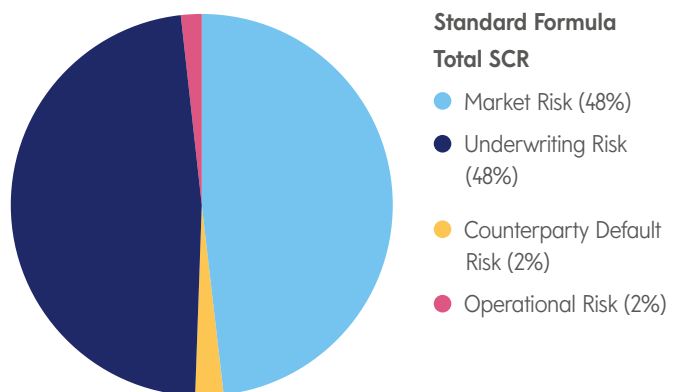
The Company is only willing to take the minimum level of risk necessary to carry out its business and to be profitable. MIL will not take on risks in areas where the risks are considered to be excessive, or risks where the consequences of failure are deemed to be too severe. As such, the risk appetite statement (as well as being approved by the Board at least annually) is subject to update for each instance of a material change of the company risk profile. Any deviations from the risk profile will be communicated to the Risk Committee for consideration and subsequently notified to the Board of Directors.

The MIL business model is supported by a robust risk management framework that ensures that risk is well managed and understood. This is facilitated through both a quantification and qualification of all risks and a culture that promotes the importance of the Risk Management Process. Determining the prevailing landscape within the company allows the Board and Risk Committee to assess MIL's appetite for each emerging risk and to ensure that all are managed consistently within the Risk Appetite.

The parameters and decisions of the Board with respect to the risk appetite of MIL, which are based on the calculations of risk-bearing capacity, are fundamental to the acceptance of risks. Through our business operations, we are able to effectively allocate our capital in light of opportunity and risk considerations. Crucial importance attaches to our risk management in order to ensure that, among other things, the primary risks remain calculable and even potential exceptional major losses do not have an unduly adverse impact on the result.

The Risk Framework and major guidelines and policies derived from it are reviewed at least once per year. In this way the company can ensure that we keep our risk management system up-to-date. The company does not utilise special purpose vehicles in conducting its business.

The resulting metrics for both the basic and Standard Solvency Capital Requirement risk profiles for MIL as at 31<sup>st</sup> December 2025 are:



MIL's risk profile in 2025 continued to be dominated by market and underwriting risks arising from its unit-linked business model, with increased exposure driven primarily by higher equity markets, mass-lapse sensitivity and greater present value of future profits.

# Risk Profile

## C.2 Underwriting Risk

The Company's business is focused on Class III products with the aim of providing investment solutions of different risk profiles and time horizons to clients. Insurance risk is defined as current or prospective risk to earnings and capital arising from adverse developments in policyholder movements and expenses.

The main insurance (underwriting) risks which the Company is willing to accept, although with the objective of maintaining the risk exposure to within the Risk Appetite Statement, are mortality and lapse risks which have been identified as part of the Company's Risk Classification Process. These risks are monitored by the Head of Actuarial Function and the Risk Function. The insurance risks are taken into account when calculating the technical provisions of the Company which is outlined in the Company's Underwriting and Reserving Policies. This policy ensures amongst other things, that the Company's underwriting activities are consistent with the Risk Appetite, the risks arising from the insurance obligations are identified and that there is adequate premium income to cover expected claims and expenses.

The Underwriting Risk component of the Solvency Capital Requirement (SCR) accounted for 48% of the Total SCR (before allowance for diversification) as at 31<sup>st</sup> December 2025.

Insurance risks are mitigated through strict underwriting criteria and product design. Assumptions utilised in the projections are determined using historical experience, or best practice where historical experience is not available.

The nature of the business written by MIL ensures that there is moderate mortality exposure given the relatively low death benefits provided. The materiality of the mortality risk exposure is low in comparison to other insurance risks with the Mortality SCR comprising approximately 1.4% of the total Life Underwriting SCR.

Lapse Risk has been identified as a key risk for the company. An increase in lapses would reduce the Company's future income and this loss would be recognised immediately on the Solvency II balance sheet. There is also the risk that increases in lapses result in expenses being spread over fewer policies which could lead to the remaining policies not being able to bear the level of expense being levied on them. On the other hand, low lapse rates can mean that the Company pays more loyalty and maturity bonuses than was anticipated in the product pricing leading to lower margins.

### Monitoring, controlling and mitigating underwriting risks is conducted via various methods including:

- Maintenance of a company Risk Register with supporting Key Risk Indicators which are assessed on a regular basis and monitored via the risk framework process
- Monitoring lapse rates and actual lapse experience vs expected experience on a regular basis
- Product design and pricing aims to minimise adverse selection and use appropriate factors to differentiate between different levels of risk
- Maintaining limits on the death benefits offered by the Company
- Adhering to the Company's underwriting policy which is reviewed on an annual basis
- Lapse Risk is mitigated via the product design, including surrender penalties and policyholder bonuses
- Regular reporting highlights performance of key underwriting metrics
- The ORSA process includes stress and scenario testing which is used to assess the risks under stressed conditions
- Experience investigations are conducted and included in the annual reserving process
- Mortality risk is mitigated through product design, and is closely monitored
- Dashboards produced and provided to Senior Management / Board of Directors containing relevant metrics used in forming controls and mitigations for insurance risks

Assumptions and appropriateness of key factors which impact the Technical Provisions are monitored, including:

- Surrender rates and their change
- Expenses and expense inflation
- Paid up rate: the proportion of premium paying policies that convert to "paid up" status
- Contract boundaries and their appropriate setting
- Mortality rates and assumptions based on these
- Interest rates used and any other adjustments (for example volatility adjustment or matching adjustment)

In addition to the above, the underwriting policy considers:

- The sufficiency of the premiums to be earned to cover future claims and expenses,
- Consideration of the underlying risks (including underwriting risks)
- Impact of options and guarantees included in insurance and reinsurance contracts on the sufficiency of premiums
- Effect of inflation, legal risk, change in the composition of the undertaking's portfolio, and of systems which adjust the premiums policy-holders pay upwards or downwards depending on their claims history (bonus-malus systems) or similar systems, implemented in specific homogeneous risk groups
- Progressive tendency of a portfolio of insurance contracts to attract or retain insured persons with a higher risk profile
- Sustainability risk where this is defined as the impact of the environmental, social and governance factors on the Company's assets and liabilities

### **Risk Concentration**

Our Insurance concentration risks take a number of forms:

- We operate within Italy, Spain and Germany. A significant portion of our client base lives in the major population centers in Italy and Spain. Our insurance risk exposure can be relatively concentrated to specific places in Italy and Spain. We accept this risk and do not seek to reduce it.
- Individual policyholders with large sums assured can lead to some concentration risk. This risk is accepted by the Company and is monitored and reported on a regular basis.

### **C.3 Market Risk**

Faced with a challenging capital market climate, particularly high importance attaches to preserving the value of assets under management and the stability of the return. MIL's portfolio is therefore guided by the principles of a balanced risk/return profile and diversification. Market risks include equity risk, interest rate risk and currency risk. Equity risk has been identified as a primary risk for the company.

The Market Risk component of the Solvency Capital Requirement (SCR) accounted for 48% of the Total SCR (before allowance for diversification) as at 31.12.2025. The company is exposed to currency risk via the sensitivity of the value of assets, liabilities and financial instruments to changes in the level in, or volatility of currency exchange rates. The vast majority of unit linked investments are invested in funds whose underlying assets denominated in Euro. For a portion of the policyholder portfolio, non-Euro denominated currency exposure exists. This is primarily to USD and GBP. As such a depreciation of foreign currencies relative to the Euro will lead to a reduction in the value of these assets held. There is also minor exposure in the Shareholder portfolio where a residual amount of assets may be held for short periods of time for the purpose of structuring new products or dealing with redemptions from the Policyholder portfolio.

#### **Monitoring, controlling and mitigating market risks is conducted via various methods including:**

- Regular monitoring of market risk, which, together with the results of regular profitability analyses, could trigger consideration of changes to product design or pricing.
- Maintenance of a company Risk Register and associated Key Risk Indicators which are assessed on a regular basis and monitored via the risk framework process.
- The ORSA includes stress and scenario testing which is used to assess market risks under stressed conditions.
- Monitoring of the FX exposure of the underlying funds is conducted by the Asset Manager.
- For interest rate, treasury assets are restricted to a mix of high-quality short duration fixed income securities, and structured products generally have a maximum duration of less than 5 years and are designed to be held to maturity.
- Currency, interest rate and credit risk in treasury assets are controlled via the Credit Risk policy which dictates the investible universe of permitted instruments

# Risk Profile

Market risk is mitigated through adherence to the Company's investment and credit policies in respect of its shareholder assets and through the definition of investment guidelines for its unit linked funds with regular monitoring to ensure adherence to these.

## Risk Concentration

Significant elements of the Company's shareholder funds may be invested in Italy, and in deposit accounts with Banca Mediolanum. The Company maintains a cap on the total of such investments so as to mitigate its overall exposure.

### C.4 Credit, Counterparty Default & Concentration Risk

Exposure to credit risk whereby there is a risk that a borrower will default on any type of debt by failing to make required payments is inherent in the MIL portfolio. In addition, risk concentrations ("Concentration Risk") arise whereby there is additional risk exposure stemming either from lack of diversification in the asset portfolio or from large exposure to default risk by a single issuer of securities or a group of related issues. The counterparty default risk consists primarily of the risk of complete or partial failure of the counterparty and the associated default on payment through deteriorating credit worthiness. The policyholder is primarily exposed to these risks.

The Counterparty Default Risk component of the Solvency Capital Requirement (SCR) accounted for 3.3% of the Total SCR as at 31st December 2025 (2024:4.9%), whilst spread risk (as contained within the Market Risk module) was 1.1% of the Total SCR (2024: 0.7%).

## Risk Concentration

MIL is primarily exposed to concentration risk via particular geographical and counterparty concentration within the policyholder portfolio. This can also give rise to network credit risk amongst groups where high concentration exists.

The company monitors the credit concentration, has limits in place to ensure sufficient coverage of concentration and credit risk, and has monitoring processes in place to ensure any concerns are highlighted. These are all contained within the Policies and Procedures underlying the monitoring of Credit and Concentration risk.

## Collateral Management

The default risk mentioned above is mitigated for the derivative portfolio through the implementation of a credit support annex which results in the company receiving collateral when there is an exposure in favour of the policyholder. To ensure credit risk mitigation techniques per the usage of derivative instruments, the company collateralises these instruments and concludes contracts only with counterparties of eligible stature. For collateralization purposes, derivatives are marked-to-market daily. This collateral is not sold or re-pledged by MIL and is governed by the Collateral Support Annexes (CSA) in place with the relevant counterparties. These CSAs contain further information on the terms and conditions associated with the collateral arrangements in place.

### Monitoring, controlling and mitigating credit risks are conducted via various methods including:

- Credit ratings are an instrument used in the assessment of credit risks. The company utilises external rating agencies to provide relative information and where a rating does not exist for shareholder funds, then an internal credit assessment is conducted on the entity which is reviewed circa every 2 years and provided to the Board of Directors.
- A Credit Concentration analysis is conducted on certain products and this information is provided to the Distributors to ensure they are informed on the credit risk associated with the relevant portfolios.
- Company credit risk is monitored on a regular basis via risk dashboards which are provided to the Board of Directors and internal Committees for review.
- A Credit Risk Policy is in place to ensure the company credit risk is maintained within its risk appetite.

## C.5 Liquidity Risk

Liquidity risk arises where a company is unable to redeem investments and other assets in order to settle financial obligations when they fall due. For Policyholder Assets, this risk is relevant in relation to the company's ability to sell assets at no significant discount. For MIL, there is no mismatch between the assets and liabilities as the Policyholder assets match the financial obligation to the clients (excluding any related death benefit). The Company monitors the liquidity of the underlying funds in which the Policyholder assets are invested.

Liquidity risk management is supported by the Liquidity monitoring program in place, and for Investment funds underlying the Unit-Linked products, assurance of adherence to and compliance with UCITS / AIFMD liquidity requirements.

The Company has some liquidity risk in relation to the Italian substitute tax regime. Under this regime the Company pays 0.50% of the value of the Italian policies in force at year-end to the Italian revenue as a prepayment of policyholder tax. The Italian tax asset decreased from approximately €19,496k in 2024 to €10,224k in 2025. This item is assessed within the ORSA process and its growth kept under review. As the Company's Italian tax asset is at the level of the cap set out in legislation (and given the cap has not increased in line with the change in the tax rate), this may not have a material impact for MIL.

The 2025 Italian Budget Law (Law 207/2025) changed the payment method for stamp duty on life insurance policies in classes III and V. Previously, the 2 per thousand annual tax was paid only at the time of surrender or redemption. With the introduction of 2025 Italian budget Law, it will be paid yearly, reducing the benefit paid at policy expiry or redemption. The regulations require stamp duty calculated from inception until 31 December 2025 to be paid in installments with 50% paid on 30.6.2025 and 20% to be paid by 30.6.2026, 20% by 30.6.2027, and 10% by 30.6.2028. This change results in a cash outflow of approximately €11,406k of which €5,703k was paid in 2025. The Company has assessed and concluded that it will not have a material impact on the Company's liquidity position.

### Monitoring, controlling and mitigating liquidity risks are conducted via various methods including:

- The Credit risk policy dictates the instruments permitted for investment of shareholder assets - the company ensures they are highly liquid instruments with short duration and carry a low concentration risk
- Liquidity risk is monitored via the Company's risk register and associated Key Risk Indicators which are assessed on a regular basis and reported to the Board
- The liquidity profile of underlying assets assessed within the MIL portfolio is conducted on a regular basis to ensure the Fund Manager is satisfied with such
- Stress testing is conducted on underlying assets within the MIL portfolio on a regular basis
- Dashboards analysing and noting the shareholder liquidity are presented on a regular basis to the Board of Directors
- The ORSA process also considers liquidity risk and carries out sufficient scenario analysis to ensure the Company has sufficient liquidity to meet cashflow requirements as per Solvency II requirements.

### Expected Profit Included in Future Premiums

As at 31 December 2025, the expected profit included in future premiums, amounted to €157,179k (2024: 149,632k). This measure is calculated in accordance with Solvency II requirements and excludes the effects of tax.

The expected profit included in future premiums contributes to the Company's own funds and therefore increases the assets available to cover the Solvency Capital Requirement (SCR). At the same time, recognition of these future profits also increases the SCR, as the Standard Formula explicitly reflects the impact of stress scenarios on future profitability. See the Own Funds QRT S.23.01 and QRT S.12.01 in Appendix I.

### Risk Concentration

The main area of risk concentration relates to the Italian Tax Asset. This risk is managed through adhering to the limits in the Company's liquidity policy.

# Risk Profile

## C.6 Operational Risk

The company defines Operational risk as the risk of loss arising from inadequate or failed internal processes, or from personnel and systems, or from external events. The operational risk management objective is to measure and monitor operational risks which could cause a disruption to business activities, damage to physical assets or may incur possible loss of capital, so that said risks can be managed appropriately and efficiently (accepted, reduced, transferred or eliminated).

The company has a regulatory requirement pertaining to having an Operational Risk Process in place and calculates an Operational Risk Capital charge via the Solvency II Standard Formula calculation.

The Operational Risk component of the Solvency Capital Requirement (SCR) accounted for 2% of the Total SCR as at 31st December 2025 (2024: 2%).

The assessment of Operational Risk is facilitated through both the Risk Self-Assessment Process and Loss Event Collection Process, the output of which is to determine if the company requires holding of additional capital to complement that already prescribed by the Standard Formula.

In contrast to underwriting risk, whereby MIL enters in a deliberate and controlled manner in the context of our business activities, operational risks are an invisible part of our business activities. The focus is therefore on risk avoidance and risk minimisation. With the aid of a Risk Self-Assessment for Operational risk, we conduct a series of reviews and from these determine any remedial actions. Within the overall framework of operational risks, we consider, in particular, business process, compliance risks, outsourcing risk, information technology (including Cyber Risk), and business interruption risks.

Data quality is also an important factor with regard to operational risk and the company has acknowledged the importance of this key aspect. As a consequence, the company has established both a Data Governance Framework and a "Head of Data Governance" role with the overriding goal of our data quality management being the sustainable improvement and safeguarding of data quality within MIL.

The primary operational risks identified as part of the RSA process for the business include:

- External Fraud: IT and cyber security; Theft and Fraud
- Business disruption and system failures: systems downtime internally or by an Outsourcing provider
- Execution, Delivery and Process management: Monitoring and reporting; Operational processing errors internally or by an Outsourcing provider.

During 2025, the Digital Operational Resilience Act ("DORA") came into effect, representing a significant development in MIL's operational and ICT risk environment. MIL implemented the core DORA frameworks during 2025, including establishing the DORA ICT Register, integrating the CBI's incident escalation templates into operational processes, updating contractual clauses with ICT service providers, and aligning local policies to the Group Digital Operational Resilience Strategy (DORS). The programme transitioned to business-as-usual by the end of 2025, with ongoing monitoring incorporated into the operational risk framework.

### **Monitoring, controlling and mitigating operational risks are conducted via various methods including:**

- Maintenance of a company Risk Register with supporting Key Risk Indicators which are assessed on a regular basis and monitored via the risk framework process
- Maintenance of the DORA ICT Register
- Risk and control assessments - the "Risk Self-Assessment" framework within the company requires all teams to carry out a risk assessment which would highlight any operational risk issues that require remediation action when assessing the risk profile of the business
- Collation and review of all operational events and action plan implementation ensures mitigation and control of operational events
- Emerging risk process and related workshops are important to ensure the company is aware of the trends and evolutions on any potential emerging risks that may impact the operations
- Control Assurance Monitoring is performed by Operational Risk across all business units on an annual basis using a risk based approach to look at some of the high rated risks that were identified in the Risk Self-Assessment process and to analyse some of the key controls the business units have in place to mitigate those risks
- The Solvency Capital Requirement includes an assessment and quantification of the operational risk exposure

- Communication and engagement with the business on operational risk aspects in various forms including presentations, committee dashboards, one-to-one training/ engagement on the process are all tools used to ensure the risk culture within MIL associated with operational risk is harmonised
- The Operational Risk Policy ensures operation of best practice with the identification, assessment and mitigation techniques utilised when mitigating operational risks across the business.

## Risk Concentration

In terms of maintaining its operations, the Company has concentration risk in respect of the provision of outsourced services. Such risks are managed and mitigated through the outsourcing agreements, where business continuity plans are required to be in place.

## C.7 Other Material Risks

### Regulatory Risk

MIL is part of the Mediolanum Insurance Group and has branches in Spain, Germany and Italy on a freedom of establishment basis and are subject to conduct of business obligations in those jurisdictions. MIL as an insurance undertaking subject to supervision by the Central Bank of Ireland.

MIL is authorized pursuant to European Union Insurance and Reinsurance Regulations 2015 as amended (Solvency II) which remains subject to on-going review Other key legislation applicable to MIL includes PRIIPS, IDD, Corporate Governance Code for insurance undertakings

A change in the regulatory, legal or political environment in the above jurisdictions may have consequences on the company's business model, operations and financial position.

MIL is exposed to regulatory risk arising from changes in EU and domestic regulation. Two developments are particularly relevant for 2025–2026:

### Digital Operational Resilience Act (DORA):

DORA became effective on 17 January 2025 and introduces mandatory requirements for ICT-risk management, major-incident reporting, operational resilience and oversight of ICT third-party providers. MIL has implemented the core framework – including the ICT Register, incident escalation templates, Board training and contract updates – and continues to monitor evolving RTS/ITS and CBI guidance. DORA remains a key regulatory risk due to ongoing compliance obligations and supervisory expectations.

### EU Artificial Intelligence Act (EU AI Act):

The EU AI Act (Regulation (EU) 2024/1689) establishes a risk-based regime for AI systems, with enhanced governance and oversight requirements for high-risk models. MIL's AI Governance Policy incorporates these obligations as the Company expands its use of AI-enabled tools. The AI Act represents an emerging regulatory risk alongside DORA.

MIL continually monitors regulatory developments to ensure timely compliance and to mitigate the risk of supervisory action.

### Strategic/Business Model Risk

Strategic risks derive from a possible imbalance between a firm's corporate strategy and the constantly changing business environment. Such an imbalance may be caused for example, by unclear strategic policy decisions, a failure to consistently implement the defined strategies and business plans, an incorrect allocation of resources, lack of foresight for business plan projections or a changing regulatory environment (see below).

The company regularly reviews its business plan relative to its business strategy and adjusts the processes and resulting guidelines as and when required. With the approval of the MIL 5 Year Business plan the company has at its disposal a tool that assists it with the planning, elaboration and management of strategic objectives and measures and safeguards their overall perspective on the company and its strategic risk. In addition, the management of strategic risks is assessed annually as part of the monitoring of business process risks. MIL also has in place a Product Oversight and Governance Arrangements Process which ensures that there is oversight and linkage of the Product Development process to the business model and strategy.

# Risk Profile

## Conduct Risk

MIL views any activities or processes that the firm might engage in which would jeopardise consumer protection, market integrity or competition as elements of conduct risk. Owing to the nature of MIL's business model and the fact that MIL presently has in excess of 138,000 policyholders with over 140,000 policies in force, conduct risk is an issue which is ever present. MIL's core markets are Italy, Spain and Germany where it operates under Freedom of Establishment rules. Distribution agreements are in place in each of the key markets to facilitate the sale and intermediation of MIL's product suite. Compliance with these is managed via the company's process for monitoring critical service providers.

MIL does not have an appetite for conduct risk however is cognisant that because this is not a risk which can be mitigated entirely, the approach taken regarding effective management of this risk is via the establishment of sound and adequate systems of governance and internal control as well as placing the consumer at the heart of our decision making.

MIL has implemented both a Conduct Risk Framework Policy and a Product Oversight and Governance Policy to ensure effective management and mitigation of conduct risk.

Naturally, this is an aspect of the business which requires a programme of continuous enhancement to ensure that the business continues to remain aware of emerging developments and best practice.

## C.8 Risk Sensitivities

Stress tests are conducted in order to be able to map both extreme scenarios and normal market scenarios for the purpose of calculating the capital required to mitigate against such events and determine the sensitivity to such risks. In this context, the loss potentials for shareholder equity are simulated on the basis of already occurred or notional extreme events.

The parameters set for such stresses are determined by the Board of Directors and are directly linked to the company's risk-bearing capacity. The impacts of the stress tests are mapped directly to the capital requirements to determine if existing capital allocated provides sufficient risk coverage or if additional capital alongside the Solvency II regulatory capital is required.

The suite of stress tests conducted target key risks present within the portfolio at any one time. As such the stress tests performed will vary over time as the composition of the portfolio and / or business model changes. The results of the stress testing analysis form a key input into Risk and Investment decisions.

The table below shows the sensitivity test results as they impact the SCR coverage ratio as determined under the Company's ORSA projections. These sensitivities have been selected on the basis of MIL's key risk exposures and are calibrated to the 95<sup>th</sup> percentile.

Risk	Solvency Ratio Decrease (1 year time horizon) (Percentage points)
Lapses increase	<5%
Expenses increase	Circa 10%
Interest rates decrease & credit spreads widen.	Circa 20%
Equity markets & currency decrease	<5%

A further important component of the ORSA process is the forward-looking risk assessment. Here an analysis is performed which considers risks and extreme scenarios that could render the business model as non-viable. The analysis captures both quantitative and qualitative factors and provides a framework by which the impact of all identified events can be mapped to our business plan and capital requirements. The range of stress tests included in the ORSA cover the main risks the business is exposed to over the 5 year horizon of the ORSA including financial market, demographic (insurance) and other risks.

## C.9 Prudent Person Principle

Article 132 of the Solvency II Directive defines the prudent person principle. MIL considers this as being as much a behavioural standard as an assessment of judgements and investment decisions. In line with this principle, and embedded within the investment policy all MIL employees consider a number of risk indicators before entering into new investments to ensure that:

- Investments are of a suitable quality and security to meet policyholder liabilities;
- Assets are only invested in which can be suitably modelled and valued;
- Consideration is given to the duration, currency and linkage of liabilities when making investment decisions;

MIL has outsourced its Investment Management activity to MIFL which executes the Investment Management activity in line with the MIL Investment Risk Policy. The Investment Manager provides MIL on a regular basis information pertaining to its investment management activity. However, MIL still retains responsibility for the overall implementation of the prudent person approach.

The investment risk pertaining to Unit-linked policies is borne by the policyholders however the company has guidelines in place with the Investment Manager and monitoring controls to ensure investment of unit-linked policies are aligned with the terms and conditions provided to the Policyholder. These controls include but are not limited to:

- Investment Guidelines
- Investment Performance Reporting
- Key Information Documents (“PRIIPS KID”)
- underlying funds actively managed within established limits
- Internal Controls developed in line with the PRIIPS & IDD legislation.

For Treasury Credit Risk / Counterparty Default, Counterparties are selected by taking into account factors including the credit rating and reputation of each entity. Credit ratings are used as a way of properly identifying and managing the risk attached to a counterparty and MIL ensures only counterparties with a high enough credit rating are used. In addition, MIL uses multiple counterparties to avoid concentration risk.

For managing the liquidity risk, the investment assets are prudently invested taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

### C.10 Any Other Disclosure

There have been no material / significant changes over the reporting period pertaining to the risks or measures used to assess risks.

The risk profile and risk appetite is updated periodically to reflect the business plan and risk environment. Monitoring and control enhancements are regular in nature to ensure the full breadth of the monitoring program in place to ensure these are in line with the business.

### Board Resignation

In 2025 the Chair of the Board and Risk Committee resigned with an effective date as of 31<sup>st</sup> December 2025. MIL communicated this resignation to the Central Bank of Ireland where MIL is in process of actively recruiting for a replacement Independent non-executive director to join the Board expected to be in place in early 2026.

The company has no further material information to note regarding the risk profile.

# Valuation for Solvency Purposes

## D.1 Assets

The valuation principles applied to the Company's assets are consistent with FRS 102 and FRS 103: Insurance contracts. The Company classifies its investments into financial assets at fair value through profit and loss, held-to-maturity financial assets, loans and other receivables and available-for-sale financial assets.

For ease of reference the Balance Sheet is presented in the Solvency II format:

As at 31st December 2025 with comparison at 31st December 2024, the Company held the following assets:

Asset Class 2025	Financial Statements Value	Adjustment Required	Solvency II Value	Explanations
Deferred Acquisition costs	173	(173)	-	(1)
Intangible Assets	260	(260)	-	(2)
Tangible Assets	59	-	59	(3)
Investments (Ex assets held for index-linked and unit-linked funds)	124,025	-	124,025	(4)
Assets held for index-linked and unit-linked funds	2,968,651	-	2,968,651	(5)
Insurance & intermediaries' receivables	1,104	-	1,104	(6)
Receivables (trade, not insurance)	6,559	-	6,559	(6)
Cash and cash equivalents	45,001	-	45,001	(7)
Any other assets, not elsewhere shown	28,914	(2,129)	26,786	(6)
<b>Total</b>	<b>3,174,747</b>	<b>(2,562)</b>	<b>3,172,185</b>	

All numbers in €'000

Asset Class 2024	Financial Statements Value	Adjustment Required	Solvency II Value	Explanations
Deferred Acquisition costs	172	(172)	-	(1)
Intangible Assets	250	(250)	-	(2)
Tangible Assets	58	-	58	(3)
Investments (Ex assets held for index-linked and unit-linked funds)	92,170	-	92,170	(4)
Assets held for index-linked and unit-linked funds	2,933,889	-	2,933,889	(5)
Insurance & intermediaries' receivables	612	-	612	(6)
Receivables (trade, not insurance)	8,642	-	8,642	(6)
Cash and cash equivalents	61,237	-	61,237	(7)
Any other assets, not elsewhere shown	20,904	-	20,904	(6)
<b>Total</b>	<b>3,117,934</b>	<b>(422)</b>	<b>3,117,512</b>	

All numbers in €'000

# Valuation for Solvency Purposes

1. **Deferred Acquisition Costs** – there is no concept of deferred acquisition costs in Solvency II as the premium provision only allows for future expense cash flows.
2. **Intangible Assets** – Intangible assets represent Software tailored to MIL's needs and some "off the shelf" software licenses. To be consistent with Article 75 of Directive 2009/138/EC for Solvency II purposes these are valued at zero.
3. **Tangible Assets** are stated at cost or valuation less accumulated depreciation.
4. **Investments** (other than assets held for index-linked and unit-linked funds) – these consist of:
  - Investments are of a suitable quality and security to meet policyholder liabilities;
  - Assets are only invested in which can be suitably modelled and valued;
5. **Assets held for index-linked and unit-linked funds** are financial assets designated at fair value through the profit and loss and acquire this designation at inception. The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets, at the close of business on the balance sheet date.
6. **Insurance & intermediaries' receivables/Reinsurance receivables/Receivables (trade, not insurance)/Any other assets not elsewhere shown** – Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market and that the Company has no intention of trading. Receivables, subsequent to initial recognition, are held at cost less allowance for incurred impairment losses. These amounts include withholding tax on technical reserves paid to the Italian authorities, which is expected to be reclaimed in the future on maturity of the relevant policies. These prepayments are recovered from tax payable upon policyholder's exit in the event of a gain on the underlying policy. The carrying amounts disclosed in the balance sheet for other receivables reasonably approximate fair values at balance sheet date.
 

An adjustment of €2.128m was recognised to reflect the prepayment of 50% of the new Italian stamp duty tax cash flows, including the associated recoveries incorporated within the calculation of the Best Estimate Liability. This adjustment ensures consistency between the Solvency II balance sheet and the underlying assumptions applied in the Best Estimate Liabilities.
7. **Cash and cash equivalents** – Deposits with credit institutions, valued at the amount held at the year end.

There have been no changes made to the recognition and valuation bases used for assets unless disclosed above. No changes have been made to estimations used in the year-end 2025 financial statements nor have there been any changes made to assumptions and judgements used in the financial statements process.

## D.2 Technical Provisions

### Value of Technical Provisions

The following table shows the value of the technical provisions as at 31st December 2025 and as at 31st December 2024 for comparison. All business is classified as "index-linked and unit-linked" (Line of Business 3I) under Solvency II.

Technical Provisions	2025	2024
Unit Liability	2,938,807	2,933,718
Best Estimate Liability	(363,340)	(321,918)
Risk Margin	102,588	95,112
<b>Total</b>	<b>2,678,047</b>	<b>2,706,907</b>

All numbers in €'000

### Methodology And Assumptions

The Unit Liability is calculated as a whole, and the value of the liability is set equal to the value of units deemed allocated to policyholders and is matched by corresponding unit assets held on behalf of policyholders.

The Best Estimate Liability ("BEL") represents the projected cash-flows on the business. The projected cash-flows are calculated using cash-flow projection models developed in Risk Agility, an actuarial valuation model. Full policy-by-policy cash-flow projections are carried out, allowing in each case for the terms of the contractual policy conditions, the policy data as at the valuation date and assumptions regarding future experience. These cash-flows are then discounted using the relevant risk-free rates provided by EIOPA. A single deterministic projection is carried out.

The Company does not apply the matching adjustment, volatility adjustment or any transitional provisions in the calculation of the technical provisions. The Company does not have any reinsurance arrangements in place.

The risk margin is calculated using the cost of capital approach set out in the Directive. The steps involved in this calculation are set out below.

- Firstly, the Solvency II capital requirement - the Solvency Capital Requirement relating to non-hedgeable risks is projected for each future year (until the expiry of all contracts) using risk drivers.
- The SCR in each future year is then multiplied by the prescribed cost of capital rate to get the cost of holding the Solvency II capital requirement in each future year.
- These cost of capital figures are then discounted to a single present value using the risk-free yield curve to determine the overall risk margin.

The key assumptions used in relation to the calculation of the best estimate liabilities are as follows:

- Surrender rates (including partial surrender rates);
- Future Paid-up rates.
- Maintenance expenses.
- Mortality rates.
- Inflation.
- Discount rates and investment growth.

Surrender rates are based on MIL specific experience at a product level. Mortality rates are determined at a country level based on MIL specific experience for Spain and Germany products. For Italian products, the rates are calculated for three age cohorts, reflecting MIL's parent's experience (Mediolanum Vita) who has a much larger book of business in Italy and therefore more credible experience. The assumption for future paid-up rates is set at a portfolio level. Maintenance expense assumptions are determined using company specific experience. Discount rates and investment growth rates are determined by the euro risk-free structure specified by EIOPA. Inflation is based on relevant market data.

A number of assumptions were updated at year-end 2025. The lapse study revealed that the actual experience was generally higher than initially assumed for most business areas, confirmed by experience variances. Consequently, the surrender rate assumption increased for most product groups. The impact of updating the surrender rate assumptions increased the BEL by €4,929k. There was an increase in the yield curve which reduced the BEL by €15,272k. Other assumption changes did not have a material impact on the BEL.

## Uncertainty of Technical Provisions

Uncertainty arises primarily in relation to the key assumptions specified above and the development of experience against these assumptions

# Valuation for Solvency Purposes

## Material Differences with the Financial Statements

The table below outlines the technical provisions included in the Solvency II balance sheet relative to those included in the financial statements at end 2025 and at end 2024:

2025			
	Solvency II		Financial Statements
Unit Liability	2,938,807	Unit Liability	2,938,807
Best Estimate Liability	(363,340)	Technical Provisions - Life Assurance Provision	46,683
Risk Margin	102,588	Technical Provisions - Claims outstanding	40,148
Total Technical Provisions	<b>2,678,047</b>	Total Technical Provisions	<b>3,025,638</b>

All numbers in €'000

2024			
	Solvency II		Financial Statements
Unit Liability	2,933,713	Unit Liability	2,933,713
Best Estimate Liability	(321,918)	Technical Provisions - Life Assurance Provision	45,611
Risk Margin	95,112	Technical Provisions - Claims outstanding	13,115
Total Technical Provisions	<b>2,706,907</b>	Total Technical Provisions	<b>2,992,439</b>

All numbers in €'000

There are significant differences between the Solvency II technical provisions and those included in the financial statements. Solvency II BEL reflects all future profits, whereas the technical provisions included in the financial statements contain a reserve to smooth the recognition of future bonus payments. The technical provisions within the financial statements are also floored at zero on a product basis and there are some individual products where additional positive cash reserves are held. No risk margin is held within the financial statements.

With the introduction of new stamp duty law under 2025 Italian budget, This results in a total cash outflow of approximately €11,406k, of which 50% (€5,703k) was paid in 2025 and recognised in the 2025 financial statements at face value. The remaining balance will be paid over the period from 2026 to 2028.

Claims Outstanding are considered under technical provisions for financial statement purposes, but under Solvency II they are included in Provisions other than technical provisions.

The assumptions are generally consistent between financial statements and Solvency II, with the financial statement assumptions containing some additional margins for prudence that are not included in the Solvency II assumptions.

### D.3 Other Liabilities

As at 31 December 2025 and 2024 the Company recorded the following classes of other liabilities for Solvency II purposes:

Liability 2025	Financial Statements Value	Adjustment Required	Solvency II Value	Explanations
Provisions other than technical provisions	40,148	-	40,148	(1)
Deferred tax liabilities	-	37,944	37,944	(2)
Insurance & intermediaries payables	5,671	-	5,671	(3)
Derivatives	1	-	1	(4)
Payables (trade, not insurance)	11,424	-	11,424	(5)
Any other liabilities, not elsewhere shown	2,277	1,326	3,603	(6)
<b>Total</b>	<b>59,521</b>	<b>39,720</b>	<b>98,791</b>	

All numbers in €'000

Liability 2024	Financial Statements Value	Adjustment Required	Solvency II Value	Explanations
Provisions other than technical provisions	13,115	-	13,115	(1)
Deferred tax liabilities	-	34,021	34,021	(2)
Insurance & intermediaries payables	6,727	-	6,727	(3)
Derivatives	20	-	20	(4)
Payables (trade, not insurance)	8,994	-	8,994	(5)
Any other liabilities, not elsewhere shown	2,272	(175)	2,097	(6)
<b>Total</b>	<b>31,128</b>	<b>33,846</b>	<b>64,974</b>	

All numbers in €'000

# Valuation for Solvency Purposes

Liabilities, other than Technical Provisions, are prepared under the historical cost convention modified by the valuation of investments.

- 1. Provisions other than technical provisions** - this represents claims to be paid. Provision is made for the estimated cost of all claims notified but not settled at the balance sheet date (including death claims, surrenders, coupons and maturities). Reinsurance recoveries are accounted for in the same period as the related claim.
- 2. Deferred Tax liabilities** - this is 12.5% of all differences recorded between those assets and liabilities valued on a Financial Statements basis versus a Solvency II basis.
- 3. Other creditors arising out of direct insurance operations** - the carrying amounts disclosed in the balance sheet for other creditors reasonably approximate fair values at balance sheet date.
- 4. Derivatives** - Negative shareholder liability have been reclassified to liabilities for the Solvency II Balance Sheet.
- 5. Other creditors and accruals including tax** - includes Irish and foreign taxes, withholding tax on Italian technical reserve and a balance relating to Collateral Lending, which is linked to a corresponding offsetting amount in Deposits, these are recorded at reasonably approximate fair values at balance sheet date.
- 6. Any other liabilities, not elsewhere shown** - Deferred Income Liabilities (DIL) of €174k (2024: €175k). There is no concept of DIL in Solvency II, therefore this is excluded. A further adjust of €1.5m has been made to adjust for the effect of the payable of Italian Stamp duty considered in the BEL.

## D.4 Alternative Valuation Methods

The Solvency II Directive sets out how to value assets and liabilities, other than technical provisions. It says that, unless otherwise stated, the default reference framework should be the international accounting standards, as adopted by the European Commission in line with Regulation (EC) No 1606/2002.

In most cases those accounting standards and Solvency II give consistent valuations. Our annual statutory financial statements are in line with FRS 102 and FRS 103. For our regulatory reporting we follow Central Bank guidelines.

In line with the amendments of FRS 102 and FRS 103, the Company has disclosed its financial instruments held at fair value to be on the basis of a fair value hierarchy consistent with EU-adopted IFRS.

For investments carried at fair value, we have categorised the measurement basis into a "fair value hierarchy". A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

- **Level 1:** The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- **Level 3:** Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability. This includes options and certificates.

For MIL, level 3 assets are when prices are valued based on assumptions or financial models and are received from relevant counterparties. The main assets which we consider level 3 relate to index linked. These assets are valued by the individual counterparties using their own internal models. MIL uses an independent third-party valuations provider who provides MIL with valuations, effectively benchmarking prices with those received from our external counterparties each month.

## D.5 Any Other Information

The Directors have reasonable expectations, having made appropriate enquiries that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

The new business volumes in 2025 were higher in comparison to the prior year, this was mainly due to market conditions as it was attractive to structure index linked products. The ORSA and its scenario testing demonstrate that the financial position is expected to be maintained.

In making this assessment the directors considered the potential impacts of the ongoing Russia/ Ukraine and Israel/ Palestine conflicts and inflation, on the company's business over the period of assessment.

Notwithstanding these events, given the nature of the Company's business, the directors do not believe these events had a material negative impact on the fee income during the period and will not have in the future the directors do not believe there has been a financial impact on the Company which would affect the going concern assumption.

Given the unit-linked nature of the business, any reduction in the value of the policyholder asset would be offset by a similar movement in the value of the linked liabilities with minimal impact on shareholder funds.

The Directors do not consider that there is any further information which should be disclosed regarding the valuation of assets for solvency purposes.

# Capital Management

## E.1 Own Funds

The Company classifies its own funds as tier 1, tier 2 or tier 3 capital depending on the characteristics of the capital. Tier I capital is the best form of capital for the purposes of absorbing losses.

The below provides a description of how the Company manages its capital and an analysis of the disposition and constraints over the availability of capital to meet risks and regulatory requirements.

The objectives of the Company in managing its capital includes the following;

- Ensuring that all capital management actions are consistent with MIL's Risk Appetite Statement.
- Ensuring at all times that MIL's own funds are correctly classified and remain within established guidelines and limits as laid down by the Central Bank of Ireland / Solvency II.
- Ensuring that the issuance of own funds is in accordance with the medium-term capital management plan.
- Ensuring that any statement in respect of dividends takes the Company's capital position into account.
- Identifying instances when distributions of own funds are expected to be deferred or cancelled.
- Preserving capital and where prudent contributing to the growth of surplus for the benefit of the shareholder.

MIL's own funds include paid up share capital, reconciliation reserve and capital contributions and have also been designated as Tier I unrestricted capital. The capital position of the Company and the composition of the Company's own funds will be monitored on a regular basis with regular reports to the Risk Committee and Board.

The following are the minimums/limits apply to own funds in terms of meeting capital requirements:

	Condition 1	Condition 2
Solvency test	T1 + T2 + T3 ≥ SCR	Tier I + Tier 2 Basic ≥ MCR
From SCR	Tier I ≥ 50% of SCR	Tier 3 < 15% x SCR
Best MCR	Tier I ≥ 80% of MCR	N/A

The Company's capital management policy states that the Company will maintain a capital buffer in excess of its SCR to cover contingencies. It is intended that this buffer will enable the Company to withstand significant equity shocks and reduction in sales volumes without the need to raise further capital in the medium term. The Company undertakes an ORSA exercise at least annually, or when the risk profile of the Company changes. The ORSA exercise incorporates the business planning process which is typically considered over a three-year time horizon. This figure will be reviewed each year in light of the outcomes of the ORSA process and the preparation of any business / capital plans which could shed light on any potential capital shortfalls.

The Company was in compliance with its capital requirements expectations of the Central Bank of Ireland and has met all of its capital management objectives throughout the financial year. Throughout 2025 MIL has maintained a ratio of eligible funds to SCR above the Solvency II limits and in excess of 150%, the Company's minimum limit in the Risk Appetite Statement.

The Company's Solvency Coverage percentage at 31st December 2025 was 181% (2024: 174%).

The Company's total eligible Own Funds to cover the SCR and MCR at 31st December 2025 and comparison for 2024 are as follows:

	2025	2025	2024	2024
Basic Own Funds (All Tier I Items)	Amount	%	Amount	%
Share Capital	1,395	0.4%	1,395	0.5%
Capital Contribution	58,729	15.3%	58,729	19.7%
Reconciliation Reserve	324,088	84.3%	285,506	79.8%
<b>Total eligible Own Funds</b>	<b>384,211</b>		<b>345,630</b>	

All numbers in €'000

Capital Contribution represents "Other items approved by supervisory authority as basic own funds", this was approved by the CBI on 26<sup>th</sup> November 2016.

The reconciliation reserve at the year-end 2025 was €324,088k increasing by €38,582k from €285,506k in 2024.

The reconciliation reserve represents retained earnings and reconciliations adjustments from the financial statements Balance Sheet to Solvency II Balance Sheet.

## 2025

Reconciliation Reserve	FS Value	Adjustment Required	Solvency II Value	Explanations
Retained Earnings	69,614	0	69,614	
Adjustments to Assets	-	(2,562)	(2,562)	(1)
Adjustments to Technical Provisions	-	307,443	307,443	(2)
Adjustments to Other Liabilities	-	(39,270)	(39,270)	(3)
Foreseeable Dividend	-	(11,128)	(11,128)	(4)
<b>Total</b>	<b>69,614</b>	<b>254,483</b>	<b>324,088</b>	

All numbers in €'000

## 2024

Reconciliation Reserve	FS Value	Adjustment Required	Solvency II Value	Explanations
Retained Earnings	47,358	-	47,358	
Adjustments to Assets	-	(422)	(422)	(1)
Adjustments to Technical Provisions	-	272,417	272,417	(2)
Adjustments to Other Liabilities	-	(33,847)	(33,847)	(3)
Foreseeable Dividend	-	-	-	(4)
<b>Total</b>	<b>47,358</b>	<b>238,148</b>	<b>285,506</b>	

All numbers in €'000

# Capital Management

- 1. Adjustments to Assets** - an amount of €173k for deferred acquisition costs and an amount of €260k for intangible assets is adjusted to financial statement equity balance to show on a Solvency II basis.
- 2. Adjustments to Technical Provisions** - this adjustment to the reconciliation reserve shows the impact of the technical provisions being calculated under Solvency II principles (Best Estimate Liability and risk margin) and the Financial Statement accounting standards
- 3. Adjustments to Other Liabilities** - there is a €37,944k decrease on the Solvency reconciliation reserve in relation to deferred tax liability other than the adjustments to technical provisions.
- 4. Foreseeable Dividend** - There is €11,128k proposed to be paid as dividends out of current year profits. No dividend was declared and paid out of 2024 profits.

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

The SCR and MCR figures at year-end are as follows:

Capital Requirements	2025	2024
SCR	212,550	198,224
MCR	53,135	49,556

All numbers in €'000

The SCR is calculated using the standard formula and the split of the SCR by risk module is as follows:

Solvency Capital Requirement (SCR)	2025	2024
Underwriting Risk	149,280	135,352
Counterparty Risk	7,432	9,642
Market Risk	148,292	140,504
Diversification Effects	(67,297)	(64,154)
Operational Risk	5,207	5,198
Deferred Tax	(30,364)	(23,318)
<b>SCR</b>	<b>212,550</b>	<b>198,224</b>

All numbers in €'000

The Company does not use any simplified calculations or any company specific parameters in the calculation of the SCR.

The SCR is reduced to reflect the loss absorbing capacity of deferred taxes ("LACDT"). LACDT is set equal to the Irish corporation tax rate times the gross SCR, noting that the actual tax rate paid by the Company is slightly higher in practice because of taxation within the branches.

There are currently no capital add-ons applied by the Central Bank of Ireland.

## MCR Inputs

The inputs used in the calculation of the MCR are as follows:

- The technical provisions (excluding the risk margin) equal to €2,575,467k.
- The total capital at risk is equal to €478,790k.
- SCR amount as calculated for the Company. Details of the SCR amounts are set out above. The MCR is capped and floored at 45% and 25% of the SCR.

## Material movements In MCR And SCR over the year

The SCR increased to €212,550k at end 2025 from €198,224k at end 2024. This is largely due to an increase in the underwriting risk SCR, which increased by €13,928k (10.2%) to €149,280k. The movement is driven largely by the increase in the mass lapse SCR of €14,621k (11.7%) which is driven by an increase in the projected future profits in the year (i.e., a decrease in BEL). The market risk SCR has also increased from 2024 to 2025. This is attributed to higher asset valuations (leading to larger absolute impacts of SCR shocks) and an increase in the symmetric adjustment of the equity capital charge. The symmetric adjustment changed due to positive performance in equity markets, increasing the equity shock as prescribed by EIOPA.

The MCR increased to €53,135k from €49,556k driven by the increase in SCR. The MCR was calculated as 25% of the SCR at both year-ends.

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

The company is not using this approach in the calculation of the Solvency Capital Requirement.

### **E.4 Internal Model Information**

The company is not using an internal model in the calculation of the Solvency II Requirement.

### **E.5 Non Compliance with the MCR and Non Compliance with the SCR**

The Company maintained capital sufficient to meet its minimum capital requirement and solvency capital requirement throughout the period covered in this report.

### **E.6 Any Other Information**

The Directors do not consider that there is any further information which should be disclosed regarding the capital management of the Company.

# Appendices

## Quantitative Reporting Templates (QRTs) 2025

Amounts in the tables that follow are in €'000s.

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## S.02.01.02

### Balance Sheet (000's) - 2025

Assets		Solvency II value C0010
Intangible assets	R0030	
Deferred tax assets	R0040	
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	58
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	124,025
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	92,925
Government Bonds	R0140	92,948
Corporate Bonds	R0150	313
Structured notes	R0160	114
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	
Derivatives	R0190	170
Deposits other than cash equivalents	R0200	30,930
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	2,969
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	
Non-life and health similar to non-life	R0280	
Non-life excluding health	R0290	
Health similar to non-life	R0300	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	1,104
Reinsurance receivables	R0370	
Receivables (trade, not insurance)	R0380	6,559
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	45,001
Any other assets, not elsewhere shown	R0420	26,786
<b>Total assets</b>	<b>R0500</b>	<b>3,172,185</b>

## S.02.01.02

### Balance Sheet (000's) - 2025

Liabilities		Solvency II value C0010
Technical provisions – non-life	R0510	
Technical provisions – non-life (excluding health)	R0520	
TP calculated as a whole	R0530	
Best Estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	
TP calculated as a whole	R0570	
Best Estimate	R0580	
Risk margin	R0590	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	
Technical provisions - health (similar to life)	R0610	
TP calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	
TP calculated as a whole	R0660	
Best Estimate	R0670	
Risk margin	R0680	
Technical provisions – index-linked and unit-linked	R0690	2,678,055
TP calculated as a whole	R0700	
Best Estimate	R0710	2,575,467
Risk margin	R0720	102,588
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	40,148
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	37,944
Derivatives	R0790	1
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	5,671
Reinsurance payables	R0830	
Payables (trade, not insurance)	R0840	11,424
Subordinated liabilities	R0850	
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	
Any other liabilities, not elsewhere shown	R0880	3,603
<b>Total liabilities</b>	<b>R0900</b>	<b>2,776,837</b>
<b>Excess of assets over liabilities</b>	<b>R1000</b>	<b>395,339</b>

## S.04.05.21

### Premiums, claims and expenses by country (000's) - 2025

#### Home country: Life insurance and reinsurance obligations

		Country	RIO10		
		Home Country	Top 5 countries: life and health SLT		
		C0030	C0040	C0040	C0040
		Ireland (IE)	Germany (DE)	Italy (IT)	Spain (ES)
Gross Written Premium	<b>RI020</b>		13,167	50,838	463,964
Gross Earned Premium	<b>RI030</b>		13,167	50,838	463,964
Claims incurred	<b>RI040</b>		15,542	399,499	170,512
Gross Expenses Incurred	<b>RI050</b>	10,090	3,014	17,206	49,178

## S.05.01.02

### Premiums, Claims and Expenses by line of Business (000's) - 2025

	Line of Business for: life insurance obligations						Life reinsurance obligations		Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	'Other life insurance	'Annuities stemming from non-life insurance contracts and relating to health insurance obligations	'Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health re-insurance	Life re-insurance	
	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
<b>Premiums written</b>									
Gross			527,969						527,969
Reinsurers' share									-
<b>Net</b>			<b>527,969</b>						<b>527,969</b>
<b>Premiums earned</b>									
Gross			527,969						527,969
Reinsurers' share									-
<b>Net</b>			<b>527,969</b>						<b>527,969</b>
<b>Claims incurred</b>									
Gross			585,553						585,553
Reinsurers' share									-
<b>Net</b>			<b>585,553</b>						<b>585,553</b>
<b>Expenses incurred</b>									
			79,448						79,448
<b>Administrative Expenses</b>									
Gross			4,325						4,325
Reinsurers' share									-
<b>Net</b>			<b>4,325</b>						<b>4,325</b>
<b>Investment Management Expenses</b>									
Gross			10,671						10,671
Reinsurers' share									-
<b>Net</b>			<b>10,671</b>						<b>10,671</b>
<b>Claims Management Expenses</b>									
Gross			14,775						14,775
Reinsurers' share									-
<b>Net</b>			<b>14,775</b>						<b>14,775</b>
<b>Acquisition Expenses</b>									
Gross			41,169						41,169
Reinsurers' share									-
<b>Net</b>			<b>41,169</b>						<b>41,169</b>
<b>Overhead Expenses</b>									
Gross			8,548						8,548
Reinsurers' share									0
<b>Net</b>			<b>8,548</b>						<b>8,548</b>
<b>Balance - other technical expenses/income</b>									
<b>Total Technical Expenses</b>									
									79,488
<b>Total Amount of Surrenders</b>									
			139,725						139,725

	Index-linked and unit-linked insurance			Other life insurance					Accepted reinsurance					
	Insurance with profit participation	Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees	Contracts with options or guarantees	Contracts with options or guarantees	Contracts with options or guarantees	Insurance with profit participation	"Index-linked and unit-linked insurance"	Other life insurance	Annuities stemming from non-life insurance contracts relating to insurance obligation other than health insurance obligations	Annuities stemming from non-life insurance contracts relating to insurance obligation other than health insurance obligations	Total (Life other than health insurance, including Unit-Linked)
	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150
<b>Technical provisions calculated as a whole</b>														
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole														
<b>Technical provisions calculated as a sum of BE and RM</b>														
<b>Best Estimate</b>														
<b>Gross Best Estimate</b>			2,575,467											2,575,467
Total recoverables from reinsurance/ SPV and Finite Re before the adjustment for expected losses due to counterparty default														
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses														
Recoverables from SPV before adjustment for expected losses														
Recoverables from Finite Re before adjustment for expected losses														
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default														
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total			2,575,467											2,575,467
<b>Risk Margin</b>		102,588												102,588
<b>Amount of the transitional on Technical Provisions</b>														
Technical Provisions calculated as a whole														
Best estimate														
Risk margin														
<b>Technical provisions - total</b>			2,678,047											2,678,047

## Own Funds (000's) - 2025

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds</b>						
Ordinary share capital (gross of own shares)	RO010	1,395	1,395			
Share premium account related to ordinary share capital	RO030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	RO040					
Subordinated mutual member accounts	RO050					
Surplus funds	RO070					
Preference shares	RO090					
Share premium account related to preference shares	RO110					
Reconciliation reserve before deduction for participations	RO130	324,088	324,088			
Subordinated liabilities	RO140					
An amount equal to the value of net deferred tax assets	RO160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	RO180	58,729	58,729			
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	RO220					
<b>Deductions</b>						
Deductions for participations in financial and credit institutions	RO230					
<b>Total basic own funds after deductions</b>	RO290	384,211	384,211			
<b>Ancillary own funds</b>						
Unpaid and uncalled ordinary share capital callable on demand	RO300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	RO310					
Unpaid and uncalled preference shares callable on demand	RO320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	RO330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	RO340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	RO350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	RO360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	RO370					
Other ancillary own funds	RO390					
<b>Total ancillary own funds</b>	RO400					
<b>Available and eligible own funds</b>						
Total available own funds to meet the SCR	RO500	384,211	384,211			
Total available own funds to meet the MCR	RO510	384,211	384,211			
Total eligible own funds to meet the SCR	RO540	384,211	384,211			
Total eligible own funds to meet the MCR	RO550	384,211	384,211			
<b>SCR</b>	RO580	212,550				
<b>MCR</b>	RO600	53,135				
<b>Ratio of Eligible own funds to SCR</b>	RO620	181%				
<b>Ratio of Eligible own funds to MCR</b>	RO640	723%				
<b>Reconciliation reserve</b>						
Excess of assets over liabilities	RO700	384,211				
Own shares (included as assets on the balance sheet)	RO710					
Foreseeable dividends, distributions and charges	RO720	11,128				
Other basic own fund items	RO730	60,123				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	RO740					
<b>Reconciliation reserve before deduction for participations</b>	RO760	324,088				
<b>Expected profits</b>						
Expected profits included in future premiums (EPIFP) - Life business	RO770	157,179				
Expected profits included in future premiums (EPIFP) - Non- life business	RO780					
<b>Total Expected profits included in future premiums (EPIFP)</b>	RO790	157,179				

## S.25.01.21

### Solvency Capital Requirement - for undertakings on Standard Formula (000's) - 2025

		Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios	USP	Simplifications
		C0040	C0050	C0080	C0090
Market risk	R0010	148,292			
Counterparty default risk	R0020	7,432			
Life underwriting risk	R0030	149,280			
Health underwriting risk	R0040				
Non-life underwriting risk	R0050				
Diversification	R0060	(67,297)			
Intangible asset risk	R0070				
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>237,707</b>			

### Calculation of Solvency Capital Requirement

		Gross solvency capital requirement
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Total capital requirement for operational risk	R0130	5,207
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	(30,364)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
<b>Solvency capital requirement excluding capital add-on</b>	<b>R0200</b>	<b>212,550</b>
Capital add-on already set	R0210	
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>212,550</b>
<b>Solvency capital requirement</b>		<b>212,550</b>
<b>Other information on SCR</b>		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

## S.28.01.01

### Linear formula component for life insurance and reinsurance obligations (000's) - 2025

		C0040		
MCRL Result	R0200	18,363	Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance/ SPV) total capital at risk
			C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210			3.70%
Obligations with profit participation - future discretionary benefits	R0220			-5.20%
Index-linked and unit-linked insurance obligations	R0230		2,575,467	0.70%
Other life (re)insurance and health (re)insurance obligations	R0240			2.10%
Total capital at risk for all life (re)insurance obligations	R0250			478,790 0.07%

Overall MCR calculation		C0070
Linear MCR	R0300	18,363
SCR	R0310	212,550
MCR cap	R0320	95,644
MCR floor	R0330	53,135
Combined MCR	R0340	53,135
Absolute floor of the MCR	R0350	4,000
		C0070
Minimum Capital Requirement	R0400	53,135

