SOLVENCY AND FINANCIAL CONDITION REPORT

Financial year 2022

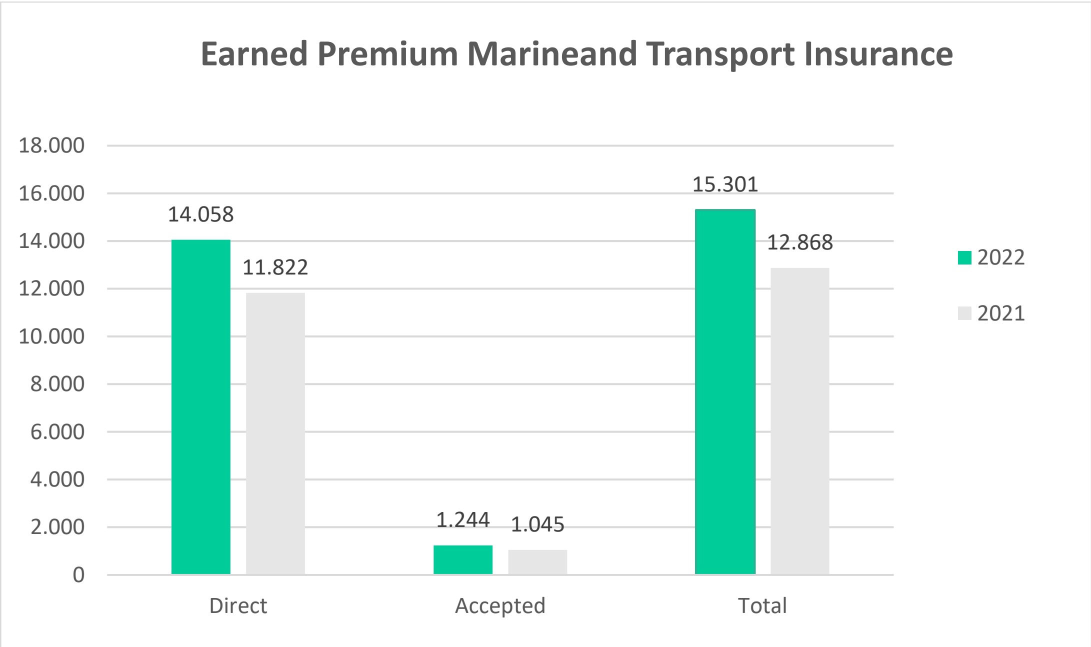
MUTUA DE SEGUROS DE ARMADORES DE BUQUES DE PESCA DE ESPAÑA

Content

Summary

MUTUA DE SEGUROS DE ARMADORES DE BUQUES DE PESCA DE ESPAÑA SOCIEDAD MUTUA A PRIMA FIJA, is a fixed premium mutual, which exercises the reciprocal compensation of its partners in the benefits derived from insurance contracts. Extending its field of action to the coverage of hulls and other insurable interests worldwide of fishing vessels and their goods, merchant ships and pleasure boats.

At the end of the financial year 2022, the company has a total premium volume of 15.301,40 thousand euros, of which 91,87% corresponds to Direct Insurance premiums. The results regarding the volume of underwritten premiums of the financial year 2022 and the variation with respect to 2021 are shown below:



(Amounts in thousands of euros)

The amount of Direct Insurance premiums has increased by 18,91% compared to the end of the previous year and the Accepted Insurance premiums have increased by 18,97% in 2022, resulting in an overall increase in accrued premiums of 18,91 % with respect to the previous year. In terms of premiums, ceded reinsurance business represents 89,29% of the Company.

With respect to the governance system, the Entity's organizational structure is based on a model of the three lines of defence:

- First line of defence: the management of each department or area is responsible for instrumentalizing and implementing Risk Management techniques and Internal Control. Including departments of an operational nature and certain specific areas like actuarial, operations, legal, finance, information technology or HR among others.

- Second line of defence: the functions or departments of compliance and risk management are responsible for identifying, measuring and coordinating the risk management model and controlling and supervising the compliance with policies and standards, in line with the risk appetite of the Company. Some of the Fundamental Functions defined in the Solvency

II framework like Compliance Verification, Risk Management and Actuarial are also included.

- Third line of defence: constituted by the Internal Audit Function, with responsibility for providing an objective level of supervision independent of the effectiveness of the Entity's Internal Control system.

The Entity has defined adequate procedures to assess the aptitude and honourability of the Members of the Board of Directors and Key Personnel, as well as for the correct control of outsourced activities, as is the case of the Actuarial Function, the Regulatory Compliance Function and the Internal Audit Function.

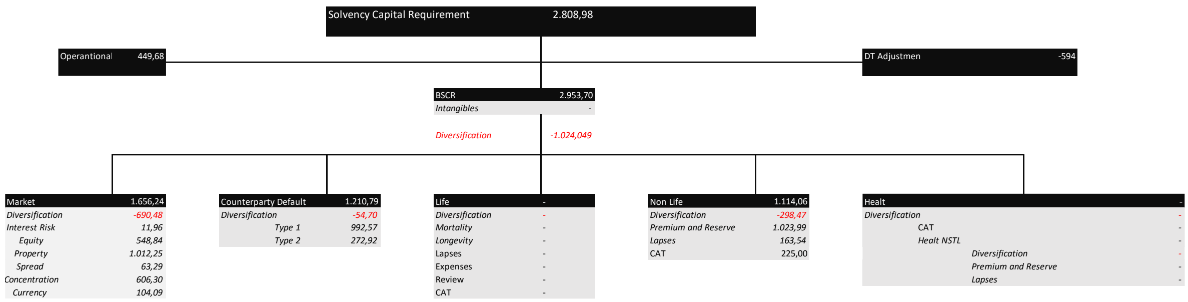
It also has an Internal Control and Risk Management system, which allows to efficiently carry out the tasks of identification, mitigation and monitoring of risks, enabling the integration of the Risk Management system in the decision-making line of the Entity and the elaboration of an aggregate risk map, which allows a global vision of the main risks to which the Entity is exposed.

Regarding the risk profile, the main risk to which the Entity is exposed is market risk. This represents 42% of the Solvency Capital Requirement before diversification. This fact is explained by the volume of assets exposed to the property risk that the company has in its portfolio.

The investment portfolio as of 31 December 2022 is composed of 45% of non-residential property, 22% of investment funds, 12% of equities and 21% of fixed income.

The Company, through the application of the policies established by the Board of Directors and the Risk Management and Internal Control System, efficiently manages the rest of the risks to which it is exposed, such as the operational, underwriting, credit, liquidity, reputational and strategic risk, having established different Risk Tolerance Limits in cases where it has been considered convenient.

Below is shown, in detail, the composition of the Solvency Capital Requirement corresponding to the 2022 financial year.



(Amounts in thousands of euros)

Regarding the valuation for Solvency purposes, assets and liabilities in the economic balance sheet are valued at market value, understanding it as the description proposed in Law 20/2015, of July 14, called “Ley de Ordenación, Supervisión y Solvencia de las Entidades Aseguradoras y Reaseguradoras (LOSSEAR)”.

The economic balance and its comparison with the financial statements at December 31, 2022 are summarized below:

	Solvency II	Book Value	Differences
TOTAL ASSETS	18.631,04	21.452,64	-2.821,60
TOTAL LIABILITIES	10.163,84	13.816,80	-3.652,95
EXCESS OF ASSETS OVER LIABILITIES	8.467,19	7.635,85	831,35

(Amounts in thousands of euros)

The valuation adjustments between the financial statements and the economic or solvency balance sheet have generated capital gains in the admissible own funds to cover the Solvency Capital Requirement of 831,35 thousand euros. This surplus value has been generated mainly by the decrease in technical provisions for the purposes of Solvency with respect to the financial statements.

The Company presents a solvency ratio on Solvency Capital Requirement and on the Minimum Capital Requirement of 301% and 212% respectively, complying comfortably with the solvency requirements, as well as with the risk tolerance limits previously defined.

Solvency Ratios	2022	2021	Variation
Total admissible Own Funds to cover the SCR	8.467,19	8.221,06	246,13
Total admissible Own Funds to cover the MCR	8.467,19	8.221,06	246,13
SCR	2.808,98	3.032,78	-223,80
MCR	4.000,00	3.700,00	300,00
Admissible Own Funds Ratio to cover the SCR	**3,01**	**2,71**	0,30
Admissible Own Funds Ratio to cover the MCR	**2,12**	**2,22**	-0,10

(Amounts in thousands of euros)

A. Activity and Results

A.1 Activity

MUTUA DE SEGUROS DE ARMADORES DE BUQUES DE PESCA DE ESPAÑA SOCIEDAD MUTUA A PRIMA FIJA (hereinafter the Entity or MUTUAPESCA), is authorized to operate in the Branch of Ships, Goods and Risks Assimilated by the R.O of November 16, 1928 and is registered since that date in the Registry of Insurance Companies with number M-0046.

Its registered office is in Madrid, at Claudio Coello 78, 1st left. D.P. 28001 (José Ortega y Gasset Building, 10) and has representatives in the main Spanish ports.

The corporate purpose of MUTUAPESCA is the reciprocal compensation of its partners in the benefits derived from insurance contracts. Its insurance activity is not lucrative in accordance with the consolidated text of law Ley de Ordenación y Supervisión de los Seguros Privados (RDL, 6/04) and the Regulation approved by Real Decreto 2486/1998.

MUTUAPESCA extends its scope to the coverage of hulls and other insurable interests worldwide of fishing vessels and their merchandise, merchant ships and pleasure boats. Likewise, in 1993 it began operating in the reinsurance of the same risks, as provided for in the provisions in force.

The Dirección General de Seguros y Fondos de Pensiones (hereinafter DGSFP) is responsible for the financial supervision of MUTUAPESCA when domiciled in the Spanish territory.

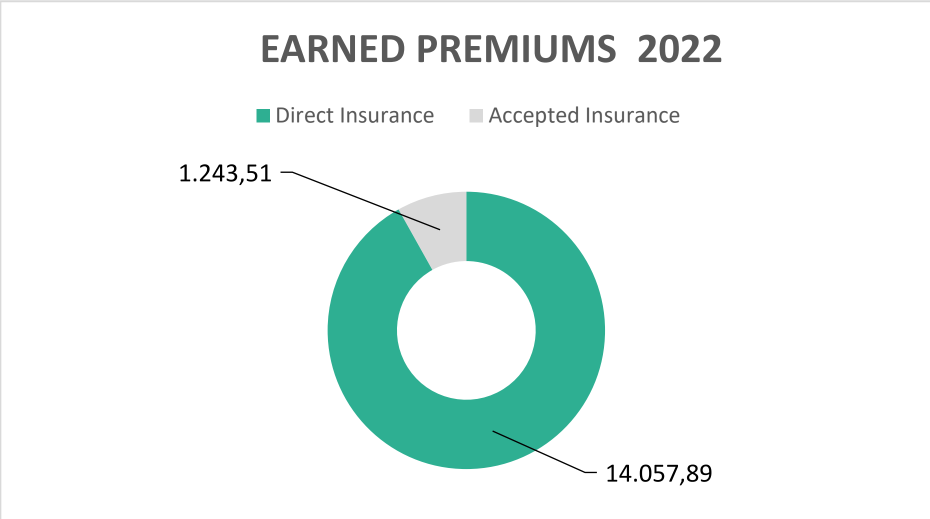
The DGSFP is in Paseo de la Castellana, 44, Madrid (Spain) being its website www.dgsfp.mineco.es.

The accounts auditor is Moore Stephens Ibérica de Auditoria, S.L.P., with address at Paseo de la Castellana, 143, 28046 Madrid.

The auditor of the Solvency and Financial Condition Report, in order to ensure their independence, is different to the Auditor of Accounts, being BDO Auditores S.L.P., with address at Rafael Calvo Street, 18, Madrid.

A.2 Results on underwriting

In this section we show the results of our insurance activity during the year 2022.



(Amounts in thousands of euros)

With respect to the earned premiums from the previous year, there is an increase of 18,91% in direct insurance and 18,97% in the accepted business.

Non-life Insurance	Marine, aviation, and transport insurance			
	2022	2021	Variation	Variation %
Net earned premiums	1.638,58	**1.435,61**	**202,97**	**14,14%**
Direct Insurance	14.057,89	11.822,41	2.235,48	18,91%
Accepted Reinsurance	1.243,51	1.045,23	198,28	18,97%
Share Reinsurers	13.662,82	11.432,02	2.230,80	19,51%
Net allocated premiums	**1.597,02**	**1.406,39**	**190,63**	**13,55%**
Direct Insurance	13.791,60	11.632,43	2.159,17	18,56%
Accepted Reinsurance	1.197,79	1.021,11	176,68	17,30%
Share Reinsurers	13.392,37	11.247,15	2.145,22	19,07%
Net claims	**988,57**	**1.075,45**	**-86,88**	**-8,08%**
Direct Insurance	6.615,94	6.078,50	537,44	8,84%
Accepted Reinsurance	503,52	2.226,41	-1.722,89	-77,38%
Share Reinsurers	6.130,89	7.229,46	-1.098,57	-15,20%

(Amounts in thousands of euros)

A.3 Results on investments

In the following table, the quantitative information regarding the income from financial investments during the period 2022 and 2021 is presented. The investment portfolio during the current year is composed of 45% by properties outside those intended for own use, 22% in Investment Funds, 12% in Equities and 21% of fixed income as shown below:

Financial Investments	Solvency II 2022	%	Solvency II 2021	%
Investments (other than index-linked and unit-linked)	**3.998,39**	**100%**	**4.185,10**	**100%**
Property (other than for own use)	1.795,45	45%	1.795,45	43%
Shares	474,47	12%	649,30	16%
Quoted shares	430,74	11%	608,92	15%
Unquoted shares	43,74	1%	40,38	1%
Bonds	857,50	21%	576,98	14%
Public debt	0,00	-	-	-
Private debt	857,50	21%	576,98	14%
Investment funds	870,98	22%	1.163,38	28%

(Amounts in thousands of euros)

As can be seen in the table above, the investment mix remains stable during the periods, except for real estate, where the absolute value remains the same but the weight of real estate in total investments is reduced.

Below is a comparison between the income and expenses derived from these investments during the 2022 and 2021 period:

Description	Income			Expenses		
	2022	2021	Variation	2022	2021	Variation
Property Investments	94,72	93,61	1,11	48,09	32,94	15,15
Financial Investments	146,61	132,72	13,89	234,84	130,57	104,27
Total	241,33	226,33	15	282,93	163,51	119,42

(Amounts in thousands of euros)

The result of the investments in the financial year 2022 has been negative, with an amount of -41,60 thousand euros, decreasing compared to the financial year 2021 by 104,42 thousand euros, mainly derived from the decrease in financial investments.

As of December 31, 2022, the "Adjustments for change in value" recorded in shareholders' equity show losses of 142,46 thousand euros, derived from the portfolio of assets available for sale, as shown in the following table:

Losses and gains directly recognised in the equity	Adjustment Valuation	Deferred Tax	Net Adjustment
Available-for-sale financial Assets	-142,47	35,62	-106,85

(Amounts in thousands of euros)

Finally, we proceed to make a comparison on the profits and losses recognized in the Net Equity in the year 2022 with respect to the year 2021.

Losses and gains directly recognised in the equity	Net Adjustment 2021	Net Adjustment 2020	Variation
Available-for-sale financial Assets	-106,85	26,8	-133,65

(Amounts in thousands of euros)

A.4 Results of other activities

No other activities are carried out outside the insurance activity.

A.5 Other relevant information

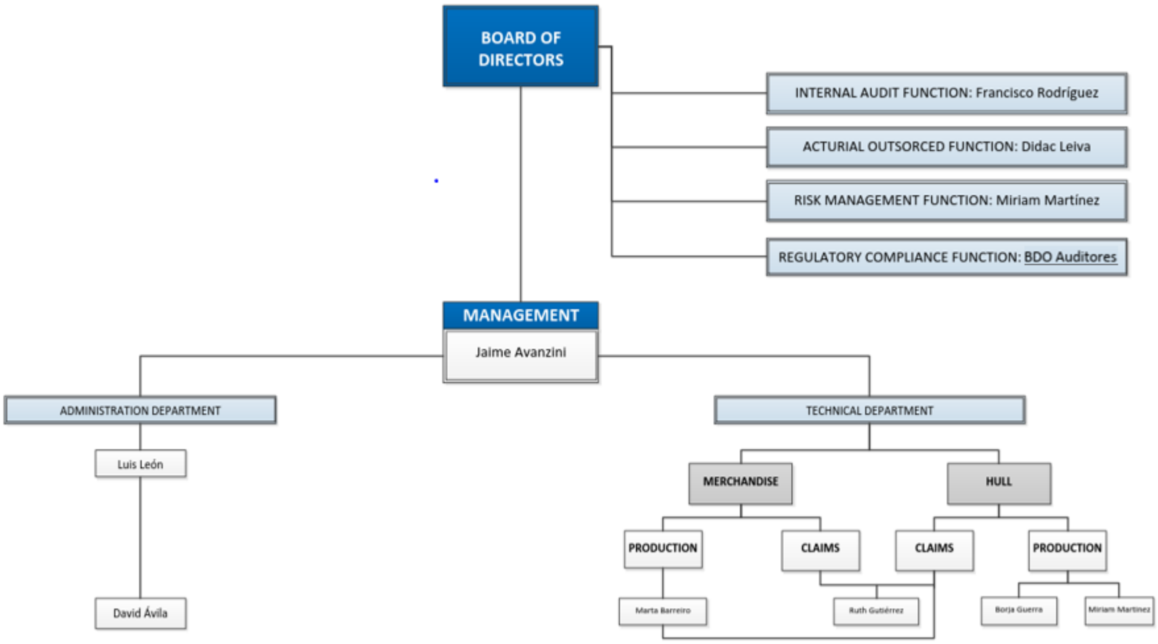
At the time of writing this report, there is no other significant information to consider regarding our activity.

B. Governance system

B.1 General information on the governance system

The Entity is governed and administered by the Board of Directors, to whom the power of representation of the same is attributed. The Board of Directors is responsible for the business, operational and financial strategy of the Entity, for the establishment, the application and the maintenance of effective decision-making procedures and for an organizational structure that clearly specifies the lines of accountability, assigning functions and responsibilities taking into account the nature, volume and complexity of the risks inherent to the Entity’s activity.

The Organizational Structure of the Entity is composed as indicated by the following organization chart:



The current organizational structure is based on the three lines of defence model:

- First line of defence: the management of each department or area is responsible for instrumentalizing and implementing Risk Management techniques and Internal Control. Including departments of an operational nature and certain specific areas like actuarial, operations, legal, finance, information technology or HR among others.

- Second line of defence: the functions or departments of compliance and risk management are responsible for identifying, measuring and coordinating the risk management model and controlling and supervising compliance with policies and standards, in line with the risk appetite of the Entity. Some of the Fundamental Functions defined in the Solvency II framework like Compliance Verification, Risk Management and Actuarial are also included.

- Third line of defence: constituted by the Internal Audit Function, with responsibility for providing an objective level of supervision independent of the effectiveness of the Entity's Internal Control system.

As can be seen, the Fundamental Functions are basic for the proper functioning of the Government System, so we proceed to briefly describe the responsibilities of each of them:

Actuarial Function

The Actuarial Function is responsible for ensuring the development of a series of tasks that guarantee the Entity's supervisory authorities to adopt the appropriate measures both in the field of underwriting and reinsurance and in the calculation of technical provisions in addition to the quality of the data used.

Among the requirements of the Actuarial Function is the need to submit to the Board of Directors the annual report of the Actuarial Function for its review.

The Actuarial Function performs the necessary tasks to coordinate the calculation of technical provisions and assess their suitability, in addition to formulating conclusions about underwriting, reinsurance and the quality of the data.

Annually, the Actuarial Function submits a report to the Management Body which includes the results, the deficiencies detected and the recommendations on how to correct them.

This function is outsourced to Mr. Didac Leiva, in accordance with current regulations and the outsourcing policy defined by the Entity.

Risk Management Function

The Risk Management Function is responsible for the design and execution of the Risk Management System so that it can continuously identify, measure, monitor, manage and notify the risks faced by the Entity.

The Risk Management Function is responsible for designing and executing the risk management system so that it can monitor the system itself and the Entity's risk profile. In addition, it must identify and evaluate emerging risks.

This function must cooperate with different areas of the Entity, especially with the Actuarial Function. Additionally, advising the Administration Body regarding the management of the risks that affect the Entity.

Regulatory Compliance Function

The Regulatory Compliance Function is responsible for the identification, evaluation, management and communication of the risks classified as regulatory non-compliance, understood as any risk that may arise from legal or regulatory sanctions that the Entity may suffer as a result of non-compliance with the applicable regulations.

The Compliance Verification Function is responsible for proposing a Compliance Verification Policy and Plan.

Among its functions, it is responsible for identifying, evaluating and communicating the risks classified as regulatory non-compliance, that is, the risks from which a legal sanction, a material financial loss or a reputational loss may be caused because of non-compliance with the regulations.

This function is outsourced to BDO Auditores S.L.P., in accordance with current regulations and the outsourcing policy defined by the Entity.

Internal Audit Function

The Internal Audit Function must verify the adequacy and effectiveness of the Entity's internal control system, the Fundamental Functions, the suitability and honourability of senior management, and the other elements of the Government System.

The findings detected by the Internal Audit Function are reported directly to the Board of Directors, to guarantee the independence of the Function.

The Internal Audit Function must verify the adequacy and effectiveness of the processes and the entire governance system of the Entity, as well as the compliance with the decisions adopted by the Administration Body, following the established Audit Plan.

To guarantee the independence of the Internal Audit Function, it directly reports a quarterly report to the Management Body indicating its conclusions and recommendations.

The four fundamental functions, Compliance, Actuarial, Risk Management and Audit exercise their functions independently, depending directly on the Board of Directors. In this way, the Entity guarantees that no function is subject to influences that may compromise its ability to perform its tasks in an objective, impartial and independent way. Likewise, people who perform a function may communicate, on their own initiative, with any staff member, and have the necessary authority, resources and expertise, as well as unrestricted access to all relevant information necessary to comply with their responsibilities.

Remuneration policy and practices

The remuneration policy defines the set of rules and procedures that govern the remuneration practices of the Entity. This policy is a key element of the Government System and is based on the following principles:

- Every remuneration is established, applied and maintained in line with the entity's commercial and risk management strategy, its risk profile, its targets, its risk management practices and the performance and long-term interests of the company as a whole and will understand measures aimed at avoiding conflicts of interest.

- The remuneration policy is fair and equitable. It has an internal balance between the different positions of the company and is equitable with respect to the people who work in similar positions. In general, the only salary differences that occur between people with the same positions will be those that come from the awards that have historically been given as a result of seniority, commitment and dedication to the Entity, as well as for their efficiency. Information obtained from the market is also valued, preferably the one that comes from similar companies in the market, also to seek external balance of remuneration.

- The remuneration policy is set by means of the basic salaries of the Agreement and the established salary supplements, whether by collective bargaining or by the individual contract, avoiding the establishment of any kind of supplements, apart from health insurance and the so-called “ticket restaurant”.

- The potential and attitude of workers in the performance of their duties is recognized with transparency, to promote those who are distinguished by their effectiveness and capacity. This will be reflected in their remuneration.

- The aim of the Entity's remuneration policy is the well-being of its workers in its personal and social framework. “The annual minimum remuneration” will be set every year.

- The application of the remuneration policy ensures that there are no harmful effects on the personnel such as inequality due to gender, the demotivation of the staff, the existence of favouritism or cases of discrimination.

Regarding performance criteria, remuneration takes the form of fixed and variable salaries. In these cases, the fixed part must be the most significant and the variable part depends on a combination of the individual objectives, the objectives of the department and the overall objectives of the Entity.

The remuneration of the members of the Board of Directors is approved by the Ordinary Assembly of Members.

During the reference period there have been no significant transactions with people who have a significant influence on the Entity or with members of the Board of Directors, management or supervision.

B.2 Requirements of aptitude and honourability

The Suitability Policy of the members of the Board of Directors and Key Personnel, ensures an adequate diversity of qualifications, knowledge and experience of the people who effectively manage the Entity and of those who exercise the key functions, including the members of the Board of Directors.

The Entity ensures that the members of the Board of Directors and Senior Management have the appropriate qualification, experience and knowledge about insurance, financial markets, business strategy, business model, government system, financial and actuarial analysis and knowledge of the regulatory framework.

The Entity duly notifies the Supervisory authority of the information related to the persons who are responsible for the fundamental functions.

The Entity has defined the following procedure to assess the aptitude and honourability of the persons responsible for the fundamental functions, both at the time of being designated for a specific position and during the performance of the same:

- The assessment of a person's aptitude will include an assessment of their professional qualifications, knowledge and relevant experience in the insurance sector, in other financial sectors or in other activities, and will consider the obligations assigned to this person and, where appropriate, its competence in the field of insurance, financial, accounting, actuarial and general management.

- The assessment of a person's honourability will include an assessment of their honesty and financial solvency based on the most comprehensive and reliable information available about their reputation, personal behaviour and professional conduct.

- In the evaluation of the aptitude of the members of the Board of Directors, the skills and knowledge of the members of the Board of Directors will be considered and the same procedure will be followed.

- In the cases of outsourcing Key Functions, the persons employed by the service providers will be required to comply with these same requirements of aptitude and honourability.

B.3 Risk management and risk and solvency self-assessment system

The Risk Management Function is responsible for organizing and coordinating the Risk Management of the different management processes and grouping its results and requirements and transmitting them to the Directorate and, in turn, to the Board of Directors.

Managing risks basically consists in carrying out three actions: Identify, Evaluate and Mitigate risks.

- Identify risks: This task corresponds to the person in charge of each management process. Each risk detected by the person responsible for a process must be communicated to Risk Management, so that it can be evaluated and incorporated into the risk map. If the cause and effect of a risk is placed in different management processes, both will be responsible for managing it, the first to correct and follow the correction of the cause and the second to follow the evolution of its impact. The Risk Management Function will be responsible for coordinating both activities.

- The purpose of the evaluation is to serve as a reference to prioritize the need to mitigate risks. This evaluation is always in relative terms, the risk assessment basically consists in ordering the risks by level of probability and by their impact. This allows all the identified risks of a process, operational and non-operational, to be placed on a Risk Map, so that they are sorted by mitigation priority level.

- Mitigate risks consists in developing the appropriate control that allows its probability and/or its impact to be reduced. Once the control is prepared, it must be implemented in the Internal Control system so that the harmful effect of the risk on the Entity's business can be eliminated or reduced to levels established by the Risk Tolerance Limits. If the risk can be quantified, it is appropriate to do so at this stage, to verify the effectiveness of the control applied.

The Entity has an Internal Control and Risk Management system, that allows these mitigation and monitoring tasks to be carried out efficiently, enabling the integration of the Risk Management system into the Entity's decision-making line and the preparation of an aggregate risk map. This allows the identification of the main risks to which the Entity is exposed.

The Risk Management Function prepares an annual report on the evolution of the main risks to which the Entity is exposed, based on the Risk Management and Internal Control system. The main target of this report is to check the extent to which the different risks are within the established Risk Tolerance Limits.

In addition, the Entity's Risk Management system includes the appropriate procedures to carry out the prospective internal evaluation of its risks and its solvency needs, within the framework of what is called the ORSA process.

The main purpose of the ORSA process is to determine the needs of own funds of the Entity as it achieves the strategic objectives it has set.

This must be done with the appropriate margin of security, in the sense that these needs of own funds should be known if the evolution of the Entity's magnitudes deviates to some extent from the strategic objectives set, both positively and negatively.

The Risk Management Function is responsible for organizing and carrying out the Entity's ORSA process and for preparing the corresponding report, which is submitted to the Supervisor once approved by the Board of Directors.

B.4 Internal Control System

In the field of Internal Control, we must distinguish between Internal Control System and Verification Function, also called Compliance Function.

The Internal Control System is constituted by the different control processes established by the Entity and integrated into the management system. The Entity has a tool called Implementa that, among other things, allows its users to manage all the defined controls and implement them in the Internal Control System, being executed in a rigorous, safe and fluid way.

On the other hand, the Compliance Function is the profile of professional responsibility that promotes, develops, implements and evolves the Internal Control and Legal Compliance System.

Regarding the assignment of this professional profile, the Entity separates it between Legal Compliance and Internal Regulations Compliance.

The main functions of the Legal Compliance Responsibility are the following:

- Advise on the compliance with legal regulations.
- Verify the compliance of external regulations.
- Evaluate the impact of legal changes.
- Assess the risk of default.
- Propose controls to Functional Management to implement them.
- Prepare the Annual Legal Compliance Report.

The main functions of the Functional Compliance Responsibility are the following:

- Establish the Entity's Internal Control System.
- Control the compliance with the Entity's Key Policies.
- Coordinate the procedure manuals and their validity, through the Implementa tool.
- Ensure the compliance with established controls.
- Establish and maintain an internal information system: Control Panel.
- Prepare the annual Internal Control Report.

B.5 Internal Audit Function

The main objective of Internal Audit is to analyse, evaluate and monitor the level of efficiency and effectiveness of the Internal Control System and the Entity's Legal Compliance Function and report the results to the Board of Directors.

Internal Audit also aims to analyse each of the key functions and processes of business management and the most relevant aspects in each of these processes.

The Internal Audit Master Plan allows planning and organizing the Internal Audit Function, focusing on the aspects that the Board of Directors considers to be of the highest priority.

The time horizon of this plan is multiannual, coinciding with the time horizon of the Entity's Strategic Plan.

The Master Plan also allows you to specify in time the degree of achievement of the targets of the Internal Audit function. It also establishes an adequate organization and allocates the necessary resources to make it possible.

The main responsibilities of the Internal Audit Function are:

- Apply its expert judgment objectively.
- Provide an opinion on the coherence and feasibility of the Entity's Strategic Plan.
- To express to the Board of Directors any aspect that may appear to be not aligned with the strategic objectives of the Entity.
- Act with total impartiality and independence.
- Evidence to the Board of Directors any decision of the Entity that may appear to be manifestly imprudent.

Internal Audit issues a quarterly report that addresses the following aspects:

- First, the conclusions of the analyses carried out, in accordance with the provisions of the Master Plan.
- The conclusions of other analyses carried out due to possible specific requirements of the Board of Directors.
- The level of compliance with the recommendations included in previous reports (recommendations on deficiencies detected that should be corrected with higher priority).

B.6 Actuarial Function

The exercise of the Actuarial Function to the Entity is based on the following principles:

- Contributes from a technical perspective to the achievement of the Entity’s strategic objectives.
- It is integrated into the organization's processes. It is not understood as an isolated activity but as part of the Entity's activities and processes.
- It takes part in the decision making. It gives an opinion periodically to the decision-making bodies on the level of consistency of the technical aspects and especially those that may affect the good evolution of the business.
- Contributes to increase the efficiency and to obtaining reliable results. It is carried out in a properly objective and independent manner, being a key function to be able to comply with the Strategic Plan.

- It is based on the best available information. The parameters used in the actuarial calculations and processes are based on reliable sources of information, as well as experience, observation, forecasts and expert opinion.

The Actuarial Function of the Entity issues an independent opinion on the following areas:

- Technical provisions
- Underwriting
- Reinsurance
- Risk Management
- Data quality

The Actuarial Function prepares an Annual Report on the adequacy of the Technical Provisions, the suitability of the Underwriting Policy, and on the Adequacy of the Reinsurance Agreements, in which the following aspects are considered:

- The documentation of all significant tasks that the actuarial function has carried out and its results.
- The existence of identified deficiencies.
- The recommendations on how these irregularities, if any, can be corrected.

The Actuarial Function Reports are addressed to the Board of Directors of the Entity.

B.7 Outsourcing

The entity has outsourced the actuarial function to Mr. Didac Leiva, the compliance verification function to BDO Auditores S.L.P. and the internal audit function to Mr. Francisco Rodriguez.

The Entity evaluates that the Outsourcing of this Function does not significantly harm the quality of the Entity's governance system, does not unduly increase the operational risk and does not affect the provision of a continuous and satisfactory service to the policyholders.

The Entity, to ensure the adequacy of the outsourcing, has carried out the following actions:

- Considers the outsourced activities in its Internal Control and Risk Management System.
- Verifies that the service provider has the necessary resources to perform the additional tasks correctly and reliably, and that all personnel of the service provider that performs the outsourced functions or activities have a proper qualification and are reliable.
- Ensures that the requirements regarding current regulations on personal data protection are met.
- Verifies that the chosen service provider takes all necessary measures to ensure that no explicit or potential conflict of interest jeopardizes the satisfaction of the Entity's needs.
- Informs the Supervisory authorities in a timely manner before the outsourcing of critical or important functions or activities becomes effective, as well as any subsequent significant changes in relation to these functions or activities.

- Applies the existing aptitude and honourability procedures to evaluate the people employed by the service provider in the development of a fundamental outsourced function.

The written contract between the Entity and the service provider of a critical activity or function clearly complies with the legal requirements.

The selection and evaluation of the service providers of the functions and/or critical and important activities of the Entity is entrusted to those responsible for each department from which this activity and/or function is outsourced.

B.8 Other Important Information

At the date of preparation of this report, there is no other significant information regarding the Entity's system of governance.

C. Risk Profiles

C.1 Underwriting Risk

The Underwriting Risk is the risk of loss due to the inadequacy of the hypothesis of pricing and reserving. Because of this definition, we observe that the underwriting risk originates, above all, in two processes:

- In the process of determining the premiums or pricing process, which includes not only the setting of the premium or the pricing of the contracts that the Entity sells or renews, but also the type of risks that are accepted and the type of contracts that are made.

- In the process of calculating the reserves, which includes the decision on the current value of the commitments assumed by the company in insurance contracts, both those commitments that have not yet been produced and those that have already been made but are not yet known.

Regarding the first of the processes, the Entity has established a procedure for determining premiums based on the following principles:

- Independence: the people who determine the premiums of the insurance contracts do not participate in their commercialization or management, nor do they have any type of remuneration or incentive linked to them.

- Legality: the procedure is in accordance with the regulations governing the determination of premiums and assumes all the standards and specifications established therein.

- Risk analysis: the risks assumed in the insurance contract are identified and analysed conveniently before proceeding to the underwriting.

- Contrast with your own experience: the assumptions used in the pricing of the premium must be contrasted with the Entity's experience.

- Prudence: the choices between two or more technically possible alternatives will be resolved in favour of the most prudent.

Regarding the second case, the Entity has established an adequate reserve calculation process to ensure the control of the risks that arise, according to the following principles:

- Independence: the people who calculate the reserves of an insurance contract or a portfolio are different from the people who prepare the Entity’s accounts.

- Legality: the procedure is in accordance with the regulations governing the constitution of reserves and assumes all the standards and specifications established in it.

- Documentation: The phases of the procedure, as well as its result, will be documented. In addition, the process generates all the documents established by the regulations.

- Risk analysis: All the risks assumed in the insurance contract are considered in the calculation of the reserves.

- Contrast with our own experience: the assumptions used in the calculation of the reserve must be contrasted with the Entity’s experience.

- Prudence: the choice between two or more technically possible alternatives will be resolved in favour of the most prudent.

- Traceability. The process of calculating the reserves generates the necessary traceability so that it can be followed and audited by third parties.

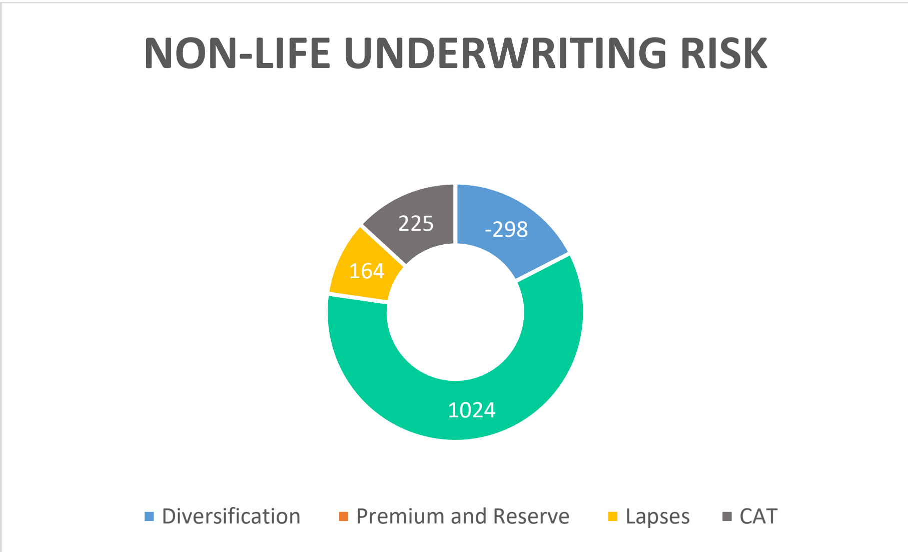
- Reproducibility. The process of calculating the reserves must contain all the information necessary to be able to be reproduced by third parties.

Within the framework of the Risk Tolerance Limits (LTR), the Entity establishes the following risk categories:

- Serious risk: when the impact due to the occurrence of the risk in the solvency of the Entity is high.
- Moderate risk: when the impact due to the occurrence of the risk in the solvency of the Entity is medium.
- Limited risk: when the impact due to the occurrence of the risk in the solvency of the Entity is non-material.

According to the standard formula, in 2022 the capital charge for Non-Life underwriting risk is 1.114,06 thousand euros. Practically, all the risk derives from a deviation in premiums and reserves.

The segmentation by sub-modules is presented below:



(Amounts in thousands of euros)

C.2 Market Risk

Market risk is the loss that a portfolio, asset or security may present, caused by changes and/or adverse movements in the risk factors that affect its final price or value.

Regarding this risk, it must be said that the Entity will invest its resources in assets and instruments whose risks can be determined, measured, monitored, managed and duly controlled. These risks will be considered in the assessment of the global solvency needs within the internal risk and solvency assessment.

All assets, especially the hedge assets of mandatory solvency capital and mandatory minimum capital, will be invested so that the security, liquidity and profitability of the portfolio would be guaranteed. In addition, the location of these assets should ensure their availability.

The hedge assets of the technical provisions will also be invested in a manner that is consistent with the nature and duration of the obligations arising from the insurance contracts and seeking the general interest of all policyholders and beneficiaries.

The assets will be properly diversified to avoid an excessive dependence on a single asset, issuer or group of companies, or a specific geographical area, as well as an excess of accumulation of risks in the portfolio.

The following are the general limits to Mutuapesca's financial investments. If one investment exceeds the limits established, it should need the previous authorization from the Board of Directors:

- Investments in equities: the maximum limit is 60% of the available treasury at the time of the investment.
    - Investment Funds: you can invest in investment funds up to 100% of the money available to invest in Equities.
    - Quoted shares in organized markets: Up to 100% of the available treasury may be invested in investment funds to buy Equities, although no more than 20% of the total financial investments may be invested in the same title. If at any time this amount is exceeded, it will be returned at 20% as soon as the market allows it.
    - Unlisted shares in organized markets and other OTC operations. This type of operations cannot be carried out without the express authorization of the Board of Directors.
    - Discretionary management by a securities company/Investment Bank. No more than 50% of the treasury available for financial investments may be transferred to entities for discretionary management on their part. In addition, Mutuapesca must establish limits to discretionary management in its management mandate.
- Fixed Income Securities: the maximum limit is 100% of the treasury available for financial investments.
    - Euro zone companies: the maximum limit is 100% of the investment in Fixed Income Securities if its classification is BBB of Standard's & Poors or higher.
    - Euro zone companies: the maximum limit is 50% of the total investment in fixed income securities if its classification is lower than BBB -or has no rating-. If there is no rating for a particular issue, the rating of its Issuer may be taken into consideration.
        - Maturities greater than 5 years; the maximum limit is 30% of the investment in this type of fixed income securities.

- Maturities below 5 years, the maximum limit is 100% of the investment in this type of fixed income securities.

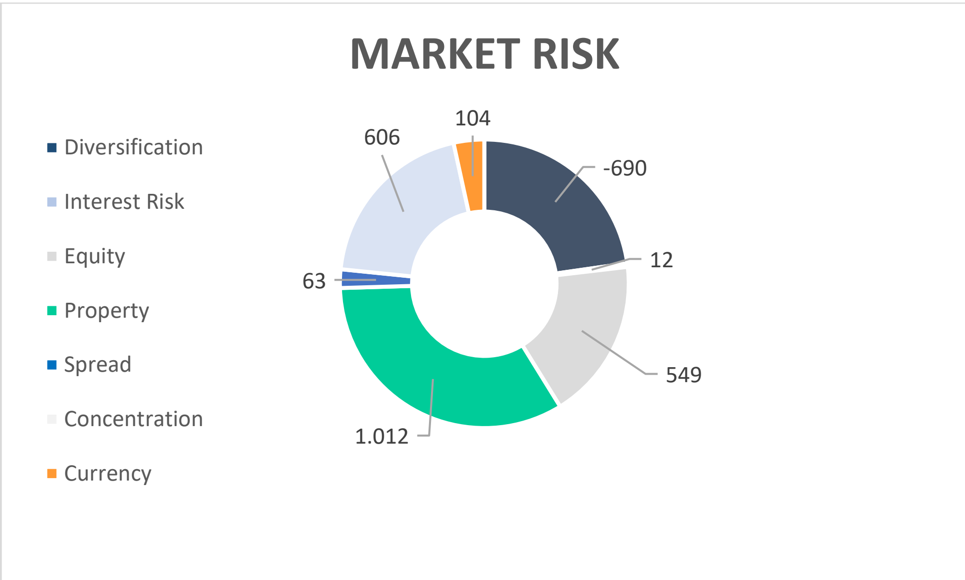
- Non-Euro zone companies: the maximum limit is 25% of the investment in fixed income securities if the exchange rate coverage is contracted (when necessary) and if the classification is BBB of Standard's & Poors or higher.

- Investments in Money Market Funds (MMF) and Fixed Income Funds: the maximum limit is 100% of the available treasury for financial investments.

For the calculation of the limits established above, the purchase value of the asset in question, and the financial availability at the time when the investment materializes will always be considered.

Finally, the investments must be deposited in prestigious financial entities and must be authorized for this purpose by the Spanish authorities.

At year-end 2022, the market risk in the Entity was 1.656,24 thousand euros, it was distributed by submodules, as follows:



(Amounts in thousands of euros)

C.3 Credit Risk

Credit risk is due to the possibility that one of the parties to a financial contract is unable to comply with the financial obligations incurred, causing the other party to incur a loss.

The management of this risk is managed based on the Investment Policy, already mentioned, and based on the Mutual Reinsurance Policy regarding the risk of default of the counterparty.

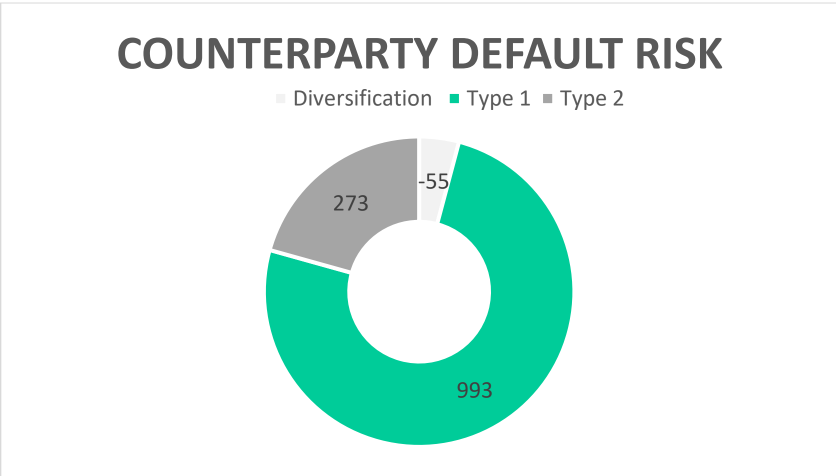
This policy ensures that, where necessary:

- Accepted risks are correctly assessed to determine whether their total or partial assignment to third parties is appropriate, always in accordance with the overall risk profile.

- Risk transfer operations are valued to identify, quantify, manage and control the risks implicit in the transfer, both before making the transfer and once concluded.

Additionally, the Actuarial Function carries out an annual analysis of the risks assumed, deciding whether the assignment is needed or not, in whole or in part, to third parties.

In 2022, the Capital for counterparty risk, according to the Standard Formula corresponds to 1.210,93 thousand euros, distributed by submodules as shown below:



(Amounts in thousands of euros)

C.4 Liquidity Risk

Liquidity risk is the potential loss caused by events that affect the ability to have resources to meet the Entity's obligations.

The Entity's investment policy urges the maintenance of adequate percentages of assets in quoted markets and enough levels of cash in banks and/or deposits in Entities with a short-term maturity to meet their commitments.

It is established that the bulk of the financial investment portfolio must have an adequate degree of liquidity.

Additionally, the calculation of the expected benefit included in future premiums has been carried out to assess the liquidity tension if the premiums corresponding to the existing insurance and reinsurance contracts that are expected to be received in the future were not received. The calculation has been made in relation to the expected benefit included in future premiums.

Future Income	2022
Expected profits included in future premiums - Non-life business	501,81

(Amounts in thousands of euros)

As can be seen, the amount of expected benefits included in the future premiums is 501,81 thousand euros.

C.5 Operational Risk

Operational risk is the risk of any failure or future deficiency, within the company's operational activities, which may hinder the achievement of strategic, operational and/or financial objectives, or that may lead to significant losses. The management of this risk is treated transversally in the different policies of the Entity and is managed by the Internal Control System.

The Entity applies a methodology consisting in valuing the product through variables Frequency x Impact, being:

- Frequency: variable related to the probability of occurrence of the phenomenon.
- Impact: variable related to the economic damage of an event in case it occurs.

The following criterion is applied:

FRECUENCY	VALUE	METRICS
Occasional	1	Specific events: new product, migrations, software modifications, etc.
Remote	2	It happens every ten years
Annual	3	It happens once a year
Periodic	4	It happens at most once a quarter
Frequent	5	Happens every month

IMPACT	VALUE	INTERVAL		METRICS
Very low	1	0.50%		Impact on the expected benefit budgeted
Low	2	0.50%	5.00%	Impact on the expected benefit budgeted
Mean	3	5.00%	10.00%	Impact on the expected benefit budgeted
High	4	10.00%	90.00%	Impact on the expected benefit budgeted
Very high	5	100.00%		Impact on the expected benefit budgeted

Subsequently, these values are transferred to the Internal Control System and weighted so that each operational risk detected takes a value between 0 and 100, then the relevant controls and risk mitigators are associated.

C.6 Other significant risks

The Entity also considers the following risks:

- **Reputational Risk:** it is the risk of loss that the Entity may incur due to discredit, bad image and negative publicity with respect to the institution and its business practices, which causes a loss of clients, a decrease in its revenue or legal proceedings.

  A reference has been established for evaluation purposes associated with this risk based on the Impact on the number of complaints or claims to the Entity's defender on the same incident or situation.

CLAIMS	RISK
For more than 5 claims	Serious risk
Between 3 and 5 claims	Medium risk
Less than 3 claims	Limited risk

The impact assessment has a limited risk.

- **Strategic Risk**: it is the risk that arises as a result of the choice of strategic objectives like the commercial strategies, the resources used to achieve these objectives, the quality of the implementation and/or the situation of the markets in which the company operates.

  The reference for evaluation purposes associated with this risk is as follows:

  - Impact on the income statement of the Entity.

IMPACT	RISK
Impact> - 25% of the plan result	Serious risk
Impact> - 15% < 25% of the plan result	Medium risk
Impact < 15% of the plan result	Limited risk

  - Impact on business figures: Impact assessment:

IMPACT	RISK
Impact> - 25% of the plan’s gross premiums	Serious risk
Impact> - 15% < 25% of the plan’s gross premiums	Medium risk
Impact < 15% of the plan’s gross premiums	Limited risk

The assessment of the impact of both indicators has a limited risk.

C.7 Other important information

There is no other significant information to consider.

D. Valuation for Solvency II purposes:

The assets and liabilities in the economic balance sheet for solvency purposes are valued at market value, understanding as such the description proposed in Law 20/2015, of July 14, on the law "Ley de Ordenación, Supervisión y Solvencia de las Entidades Aseguradoras y Reaseguradoras" (LOSSEAR).

The assets are valued at the amount for which they could be exchanged between interested and duly informed parties that carry out a transaction in conditions of independence of the Entity. With respect to liabilities, they are valued at the amount for which they could be transferred or settled between interested and duly informed parties that carry out a transaction in conditions of independence of the Entity.

For the valuation of assets and liabilities from which future cash flows or payments are derived, we have updated these flows through a temporary structure of interest-free risk. For the calculation of the technical provisions, we have used, in all cases, the risk-free curve corresponding to December 31, 2022, published by the European Insurance and Occupational Pensions Authority "EIOPA".

The amounts in the economic balance and in the financial statements are presented in thousands of euros.

In the following sections, we offer a more specific description of the criterion used in the valuation at market value of the different balance sheet items, based on the type of asset or liability, and an explanation of the main differences between the economic value (in the economic balance) and the book value included in our financial statements.

D.1 Assets

In this section we present, for all significant assets, a detailed explanation of the bases, methods and assumptions used for their valuation, both for solvency purposes and for accounting purposes. If there are significant differences between the assessments, a quantitative and qualitative explanation of these differences is provided.

The economic balance and its comparison with the financial statements as of December 31, 2022 are detailed below. Note that the balance sheets have different structures and cannot offer a direct comparison for all items. For the following comparison, we have taken the economic balance as a reference. Consequently, the structure of the accounting balance may differ from that presented in the financial statements.

Assets	Solvency II	Book Value	Adjustment
Goodwill	**-**	**-**	**-**
Deferred acquisition costs	**-**	**-**	**-**
Intangible fixed assets	**-**	**102,99**	**-102,99**
Deferred Tax Assets	**1.466,79**	**143,63**	**1.323,16**
Assets and reimbursement rights for long-term compensation to staff	**-**	**-**	**-**
Property, plant and equipment for own use	**2.253,53**	**1.595,67**	**657,87**
Investments (other than index-linked and unit-linked)	**3.998,39**	**3.871,63**	**126,77**
Property (other than for own use)	1.795,45	1.683,61	111,83
Participations in related companies	-	-	-
Shares	474,47	474,47	-
Quoted shares	430,74	430,74	-
Unquoted shares	43,74	43,74	-
Bonds	857,5	842,57	14,93
Public debt	-	-	-
Private debt	857,5	842,57	14,93
Structured financial assets	-	-	-
Securitisation of assets	-	-	-
Investment funds	870,98	870,98	0
Derivatives	-	-	-
Deposits other than cash equivalent assets	-	-	-
Other investments	-	-	-
Assets held for index-linked and unit-linked	**-**	**-**	**-**
Loans and mortgages with and without collaterals	**-**	**-**	**-**
Advanced	-	-	-
Loans and mortgages with and without collaterals to individuals	-	-	-
Other loans and mortgages with and without collaterals	-	-	-
Reinsurance recoverables	**5.415,69**	**9.128,84**	**-3.713,14**
Non-life insurances and health insurances similar to non-life	5.415,69	9.128,84	-3.713,14
Non-life, excluding health insurances	5.415,69	9.128,84	-3.713,14
Health insurances similar to non-life	-	-	-
Life insurance, and health insurance similar to life, excluding health and “index-linked” and “unit- linked”	-	-	-
Health insurance similar to life	-	-	-
Life insurance, excluding health and “index-linked” and “unit-linked”	-	-	-
Life insurance "index-linked" y "unit-linked"	-	-	-
Deposits constituted by reinsurance accepted	**-**	**-**	**-**
Receivables for direct insurance and coinsurance operations	**928,62**	**1.848,85**	**-920,23**
Receivables for coinsurance operations	**559,76**	**559,76**	**-**
Other loans	**331,08**	**331,08**	**-**
Own shares (direct tenure)	**-**	**-**	**-**
Shareholders and mutualists for required disbursements	**-**	**-**	**-**
Cash and other equivalent liquid assets	**3.677,17**	**3.677,17**	**-**
Other assets, not elsewhere shown	**-**	**193,03**	**-193,03**
TOTAL ASSETS	**18.631,04**	**21.452,64**	**-2.821,60**

(Amounts in thousands of euros)

Liabilities	Solvency II	Book Value	Adjustment
Technical provisions - non-life insurances	**6.354,39**	**10.512,12**	**-4.157,73**
Technical provisions - other than life (Excluding sickness)	6.354,39	10.512,12	-4.157,73
TP calculated as a whole	-	10.512,12	-10.512,12
Best Estimate (BE)	6.184,33	-	6.184,33
Risk margin (RM)	170,06	-	170,06
Technical provisions - health (similar to non-life insurances)	-	-	-
TP calculated as a whole	-	-	-
Best Estimate (BE)	-	-	-
Risk margin (RM)	-	-	-
Technical provisions - life (excluding index-linked and unit-linked)	**-**	**-**	**-**
Technical provisions - health (similar to life insurances)	-	-	-
TP calculated as a whole	-	-	-
Best Estimate (BE)	-	-	-
Risk margin (RM)	-	-	-
Technical provisions - life (excluding health and index-linked and unit-linked)	-	-	-
TP calculated as a whole	-	-	-
Best Estimate (BE)	-	-	-
Risk margin (RM)	-	-	-
Technical provisions - index-linked and unit-linked	**-**	**-**	**-**
TP calculated as a whole	-	-	-
Best Estimate (BE)	-	-	-
Risk margin (RM)	-	-	-
Other technical provisions	-	-	-
Contingent liabilities	**-**	**-**	**-**
Other non-technical provisions	**-**	**-**	**-**
Provision for pensions and similar obligations	**-**	**-**	**-**
Deposits from ceded reinsurance	**-**	**-**	**-**
Deferred tax liabilities	**2.061,20**	**460,92**	**1.600,28**
Derivatives	**-**	**-**	**-**
Debts owed to credit institutions	**-**	**-**	**-**
Financial liabilities other than debts owed to credit institutions	**-**	**-**	**-**
Payables from insurance and coinsurance operations	**466,9**	**1.276,00**	**-809,11**
Payables from reinsurance operations	**763,39**	**763,39**	**-**
Other debts and payables	**517,97**	**517,97**	**-**
Subordinated liabilities	**-**	**-**	**-**
Subordinated liabilities not in the basic own funds	**-**	**-**	**-**
Subordinated liabilities in the basic own funds	**-**	**-**	**-**
Other liabilities, not elsewhere shown	**-**	**286,4**	**-286,4**
TOTAL LIABILITIES	**10.163,84**	**13.816,80**	**-3.652,95**
EXCESS OF ASSETS OVER LIABILITIES	**8.467,19**	**7.635,85**	**831,35**

(Amounts in thousands of euros)

Deferred Tax Assets

Assets	Solvency II	Book Value	Difference
Deferred tax assets	1.466,79	143,63	1.323,16

(Amounts in thousands of euros)

For accounting purposes, deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The difference in valuation of deferred taxes is the result of the difference between the values assigned to the assets and liabilities in accordance with Solvency valuation criteria and the values assigned to the assets and liabilities as recognised and valued for tax purposes multiplied by the corporate income tax rate for 2022, which is set at 25%.

The calculated amount of deferred tax assets for each of the items that have generated a valuation difference is detailed below:

Assets	Valuation Adjustment	DT Assets	DT Liabilities
Intangible Assets	-102,99	25,75	
Bonds	14,93	-	3,73
Property, plant and equipment and investment property	962,89	-	240,72
Furniture, transport elements... etc	-193,19	48,3	-
Non-life insurances and health insurances similar to non-life	-3.713,14	928,29	-
Recoverables for direct insurance and intermediaries	-920,23	230,06	-
Other assets	-193,03	48,26	-

(Amounts in thousands of euros)

Liabilities	Valuation Adjustment	DT Assets	DT Liabilities
Non-Life Best Estimate	-4.327,79	-	1.081,95
Non-Life Risk Margin	170,06	42,51	-
Payables for direct insurance and coinsurance operations	-809,11	-	202,28
Other liabilities, not recognized in other items	-286,4	-	71,6

(Amounts in thousands of euros)

	Valuation Adjustment	DT Assets	DT Liabilities
Total Deferred Taxes	-594,41	1.466,79	2.061,20

(Amounts in thousands of euros)

Property, plant and equipment for own use

Assets	Solvency II	Book Value	Difference
Property, plant and equipment for own use	2.253,53	1.595,67	657,87

(Amounts in thousands of euros)

The items of property, plant and equipment for own use are valued at their acquisition price or production cost, minus accumulated depreciation and, if applicable, the accumulated amount of recognized impairment correction.

For solvency purposes, property, plant and equipment for own use are valued at fair value, that is, for the appraisal value granted by an authorized Appraisal Entity for the valuation of assets in the mortgage market.

The difference in valuation between the appraisal value and the value of the financial statements generates a capital gain of 657,87 thousand euros, before tax.

Investments: Property (other than for own use)

Assets	Solvency II	Book Value	Difference
Property (other than for own use)	1.795,45	1.683,61	111,83

(Amounts in thousands of euros)

As in the previous point, the elements of real estate investments (other than for own use), are valued at their acquisition price or production cost minus the accumulated depreciation and, when appropriate, minus the accumulated amount of the valuation corrections for deterioration recognized.

For solvency purposes, the real estate investments are valued at fair value, that is, by the appraisal value granted by an authorized Appraisal Entity for the valuation of assets in the mortgage market.

Bonds

Assets	Solvency II	Book value	Difference
Bonds	**857,5**	**842,57**	**14,93**
Public debt	-	-	-
Private debt	857,5	842,57	14,93
Structured financial assets	-	-	-
Securitisation of assets	-	-	-

(Amounts in thousands of euros)

The assets available for sale have been valued at fair value, those record the valuation changes in the economic balance. This difference is caused because the interest accrued and not due at the valuation date, which in the accounting balance is accounted for as other assets, in the solvency balance sheet is reclassified increasing the value of the asset.

Reinsurance Recoverables

Assets	Solvency II	Book Value	Difference
Reinsurance Recoverables	**5.415,69**	**9.128,84**	**-3.713,14**
Non-life insurances and health insurances similar to non-life	5.415,69	9.128,84	-3.713,14
Non-life, excluding health insurances	5.415,69	9.128,84	-3.713,14
Health insurances similar to non-life	-	-	-
Life insurance, and health insurance similar to life, excluding health and “index-linked” and “unit- linked”	-	-	-
Health insurance similar to life	-	-	-
Life insurance, excluding health and “index-linked” and “unit-linked”	-	-	-
Life insurance "index-linked" y "unit-linked"	-	-	-

(Amounts in thousands of euros)

The recoverable amounts of reinsurance have been valued in accordance with article 29 of Real Decreto 2486/1998, of November 20, which approved the Reglamento de Ordenación y Supervisión de los Seguros Privados.

For solvency purposes, the recoverable amounts of reinsurance have been calculated in accordance with Articles 41 and 42 of the Delegated Regulation of the Commission (EU) 2015/35 of October 10, 2014.

The recoverable amounts of the reinsurance contracts with respect to the non-life insurance obligations have been obtained separately in relation to the premium provision and the claims provision.

Additionally, the recoverable amounts have been adjusted considering the probability of default of the counterparty. This adjustment has been calculated as the current expected value of the variation of the cash flows underlying the recoverable amounts of the said counterparty that would occur if the counterparty incurred in default, even as a result of insolvency or litigation, at a given time. The effect of any risk reduction technique that reduces the counterparty's credit risk has not been considered.

Recoverables from insurance, coinsurance and reinsurance operations and other recoverables.

Assets	Solvency II	Book Value	Difference
Recoverables for direct insurance and coinsurance operations	928,62	1.848,85	-920,23
Recoverable for reinsurance operations	559,76	559,76	-
Other recoverables	331,08	331,08	-

(Amounts in thousands of euros)

Since the maturity date of these items is generally less than one year away, we value them at their nominal value, corrected, if applicable, by their impairment. The criterion is the same for both accounting and Solvency purposes.

The valuation difference of -920.23 thousand euros between the accounting balance and the economic balance is due to the accrued premiums pending issuance. These premiums form part of the expected cash flows of the insurance obligations and therefore of the technical provisions. In order to include them in the calculation of technical provisions, they have been assigned a zero value in the asset and included as future cash inflows of insurance obligations.

Cash and other equivalent liquid assets

Assets	Solvency II	Book Value	Difference
Cash and other equivalent liquid assets	3.677,17	3.677,17	-

(Amounts in thousands of euros)

Being basically treasury and other equivalent liquid assets in credit institutions, this is valued at nominal value both in the accounting balance sheet and in the economic balance sheet. Consequently, there are no valuation differences between both balance sheets.

Other Assets

Assets	Solvency II	Book Value	Difference
Other assets, not elsewhere shown	-	193,03	-193,03

(Amounts in thousands of euros)

In epigraph Other assets, we have mainly recorded accrued and unmatured interest.

For accounting purposes, unmatured interest receivable is valued at the year-end amount of accrued and unmatured interest on financial investments, when it does not form part of the redemption value. For solvency purposes, unmatured interest receivable has been reclassified by increasing the value of the corresponding assets.

D.2 Technical Provisions

The technical provisions must be those necessary to reflect all obligations arising from insurance and reinsurance contracts.

Liabilities	Solvency II
Technical provisions - non-life insurances	**6.354,39**
Technical provisions - other than life (Excluding sickness)	6.354,39
TP calculated as a whole	-
Best Estimate (BE)	6.184,33
Risk margin (RM)	170,06
Technical provisions - health (similar to non-life insurances)	-
TP calculated as a whole	
Best Estimate (BE)	-
Risk margin (RM)	-
Technical provisions - life (excluding index-linked and unit-linked)	-
Technical provisions - health (similar to life insurances)	-
TP calculated as a whole	
Best Estimate (BE)	-
Risk margin (RM)	-
Technical provisions - life (excluding health and index-linked and unit-linked)	-
TP calculated as a whole	
Best Estimate (BE)	-
Risk margin (RM)	-
Technical provisions - index-linked and unit-linked	**-**
TP calculated as a whole	
Best Estimate (BE)	-
Risk margin (RM)	-

(Amounts in thousands of euros)

The value of the technical provisions is equal to the sum of the best estimate liabilities and the risk margin:

- The Best Estimate corresponds to the average of the future cash flows necessary to settle the insurance and reinsurance obligations throughout their validity period weighted by their probability, considering the temporary value of the money (Current expected value of the future cash flows) through the application of the relevant temporary structure of interest rate without risk, calculated with appropriate statistical methods. The best estimate is made based on accurate and complete information, realistic assumptions and homogeneous risk groups.

- The risk margin is calculated as the cost of financing the mandatory solvency capital required for assuming insurance and reinsurance obligations during its term.

The best estimate and the risk margin, in terms of the economic balance sheet, will be provided by the insurance company in its liabilities to meet future obligations arising from the underwriting of these risks. This amount is equivalent to what a third party, an insurer or a reinsurer, would require assuming the company's insurance and reinsurance obligations.

Technical Provisions - Non-life

The best estimate of the technical provisions for non-life insurance is calculated separately with respect to the premiums provisions and claims provisions.

Premium Provisions

The premium provisions are the future claims covered by insurance and reinsurance obligations that fall within the limits of the contract. The cash flow projections for calculating the premium provisions include benefits, expenses and related premiums to such claims.

To perform the calculation we need to estimate, on the one hand, the best estimate of the premium provision for the business already constituted at the end of the year and, on the other hand, the best estimate of the premium provisions of the future business that according to the limits are estimated of the contract legally established.

In order to obtain the provision corresponding to the current portfolio, the premium provisions not consumed are considered as a risk measure of the premiums not imputed in the year and the estimated management expense ratio and the expected claims ratio is applied on this amount.

For the future premium provisions, the premiums of the portfolio are considered, which, at closing, tacitly, will be renewed in the following 2 months and the estimated percentage of falls are applied. Next, the same estimated expense and accident rates as those applied to the current portfolio are applied. The difference between the outflow for expenses and claims and the entry for premiums constitutes the provision of premiums for tacit renewals.

The sum of these two quantities constitutes the total provision for premiums.

The resulting premium provision is transferred to a cash flow structure to proceed to its financial discount through the temporary structure of interest-free interest rates published by EIOPA.

Claims Provisions

The claims provisions correspond to claims that have already materialized, regardless of whether they have been declared or not. The cash flow projections for calculating claims provisions will include benefits, expenses and related premiums to such claims.

The statistical method of Chain Ladder has been used to calculate the best estimate of the claims. From the triangles of payments and provisions, organized by year of occurrence of the claims and by year of cost, the payment patterns that allow us to project future payments are estimated. The difference between the last estimated costs and the payments already made is the best estimate.

Next, a study of the estimated development factors is carried out in order to detect possible events that distort the result. Once the results have been analysed, the definitive development factors are agreed upon.

Risk Margin

The risk margin is the amount that guarantees that the value of the technical provisions is equivalent to the amount that insurance and reinsurance companies would foreseeably need to be able to assume and fulfil the insurance and reinsurance obligations. That is, it is the amount that an insurance company would demand beyond the expected value of the technical obligations to assume them.

As required by Solvency II, this charge of capital must be of 6%.

In order to calculate the risk margin, it is necessary to project the Solvency Capital Requirement in the future. To carry out the projection of insurance obligations other than those of life, we have used a simplified method, specifically, method 2 according to Guideline 62 in the Guidelines on the valuation of technical provisions EIOPA-BoS-14/166. This method consists in estimating the Solvency Capital Requirements for each future year referred to in article 58, letter a), of the Execution Measures, among other things, by using the coefficient of the best existing estimate in that future year, to the best estimate on the valuation date.

The best estimate plus the risk margin is equivalent to the amount necessary to reflect all obligations arising from the insurance and reinsurance contracts assumed.

Uncertainty in the value of technical provisions

The valuation of technical provisions for solvency purposes involves making future projections based on certain assumptions. Inevitably, these projections have a degree of uncertainty derived from socioeconomic changes in the environment. While it is impossible to eliminate this uncertainty, it can be reduced to acceptable levels that ensure a realistic calculation of the value of technical provisions.

To reduce the level of uncertainty, we periodically perform an analysis of the statistical methods used to review the assumptions assumed and to modify them in case of detecting that they do not conform to reality. In addition, we compare the estimated cash outflows with the actual ones, in this way, we can verify that the method is adequate and, if appropriate, make the necessary adjustments.

Differences in the valuation of technical provisions between the economic and accounting balance sheet

Unlike the technical solvency provisions, which are calculated using statistical methods, as explained above, the technical accounting provisions have been valued in accordance with articles 29 - 48 of Real Decreto 2486/1998, of November 20, by which the Reglamento de Ordenación y Supervisión de los Seguros Privados is approved. As a result of the use of different methodologies, the resulting provisions present the following differences between the economic and the accounting balance sheet:

Liabilities	Solvency II	Book Value	Difference
Technical provisions - non-life insurances	**6.354,39**	**10.512,12**	**-4.157,73**
Technical provisions - other than life (Excluding sickness)	6.354,39	10.512,12	-4.157,73
TP calculated as a whole	-	10.512,12	-10.512,12
Best Estimate (BE)	6.184,33	-	6.184,33
Risk margin (RM)	170,06	-	170,06
Technical provisions - health (similar to non-life insurances)	-	-	-
TP calculated as a whole		-	
Best Estimate (BE)	-		-
Risk margin (RM)	-		-
Technical provisions - life (excluding index-linked and unit-linked)	-	-	-
Technical provisions - health (similar to life insurances)	-	-	-
TP calculated as a whole		-	
Best Estimate (BE)	-		-
Risk margin (RM)	-		-
Technical provisions - life (excluding health and index-linked and unit-linked)	-	-	-
TP calculated as a whole		-	
Best Estimate (BE)	-		-
Risk margin (RM)	-		-
Technical provisions - index-linked and unit-linked	**-**	**-**	-
TP calculated as a whole		-	
Best Estimate (BE)	-		-
Risk margin (RM)	-		-

(Amounts in thousands of euros)

In contrast to the provisions estimated in the economic balance sheet, the accounting provisions are not discounted using a risk-free interest rate term structure. In addition, the accounting technical provisions are calculated from the direct application of the individual estimates for the provision for claims pending settlement or payment as well as by applying the formulation established in the ROSSP for the provision pending declaration and the provision for internal claims management expenses. As regards the provision for unearned premiums, the premium accrual criterion is applied. The Solvency II technical provisions, on the other hand, use statistical methods to project future cash flows to determine the provision for claims and premiums.

Finally, it should be noted that the risk margin is a concept introduced in Solvency II and whose calculation is not in the accounting balance sheet.

D.3 Other Liabilities

In this section we present, for all significant liabilities other than technical provisions, a detailed explanation of the bases, methods and assumptions used for their valuation, both for solvency purposes and for accounting purposes. In the event that there are significant differences between the assessments, a quantitative and qualitative explanation of these differences is provided.

Liabilities	Solvency II	Book Value	Difference
Debts for insurance and coinsurance operations	**466,9**	**1.276,00**	**-809,11**
Debts for reinsurance operations	**763,39**	**763,39**	**-**
Other debts and items payable	**517,97**	**517,97**	**-**

(Amounts in thousands of euro)

Since the maturity of these items is generally less than one year, we value them at their nominal value, corrected, if applicable, for impairment. The criterion is the same for both accounting and Solvency purposes.

The valuation difference of -809,11 thousand euros between the economic balance and the accounting balance is due to debts for receipts and commissions pending issue of the ceded reinsurance. These premiums form part of the expected cash flows of the ceded reinsurance obligations and therefore of the reinsurance recoverable amounts. In order to include them in the calculation of the reinsurance recoverable amounts, they have been assigned a zero value in liabilities and included as future cash outflows.

Other liabilities, not elsewhere shown

Liabilities	Solvency II	Book Value	Difference
Other liabilities, not included in other items	**-**	**286,4**	**-286,4**

(Amounts in thousands of euros)

Deferred tax liabilities

Liabilities	Solvency II	Book Value	Difference
Deferred tax liabilities	**2.061,20**	**460,92**	**1.600,28**

(Amounts in thousands of euros)

In the accounting balance sheet, the deferred tax liabilities recognize future tax obligations. In the economic balance sheet, we have assessed the deferred tax liabilities in accordance with Article 15 of the Commission Delegated Regulation (EU) 2015/35 of October 10, 2014.

The deferred tax valuation difference is the result of the difference between the values assigned to the assets and liabilities, in accordance with the Solvency valuation criterion and the values assigned to the assets and liabilities as recognized and valued for tax purposes multiplied by the corporate tax rate for the year 2022.

D.4 Alternative valuation methods

We have not applied alternative valuation methods in fiscal year 2022.

D.5 Other relevant information

E. Capital Management

E.1 Own Funds

In the Solvency II environment, the Own Funds (FFPP) are the financial resources available to insurance companies to cover the risks assumed and absorb losses if necessary.

The Capital Management policy is the reference document for the determination of the amount of the Admissible Own Funds for the purposes of covering the capital requirements in Solvency II.

The Entity's Available Funds are composed entirely of Level I Basic Own Funds. The Basic Own Funds are the result of the excess of assets over liabilities, evaluated in accordance with the standards for the valuation of assets, liabilities and technical provisions established in the regulations of Solvency II.

Structure, amount and quality of the own funds

The level structure of our own funds is presented below:

Own Funds	31/12/2022				31/12/2021			
	Total	Tier 1 Unrestricted	Tier 2	Tier 3	Total	Tier 1 Unrestricted	Tier 2	Tier 3
Initial Mutual Fund	2.331,19	2.331,19			2.331,19	2.331,19	-	-
Reconciliation Reserve	6.136,00	6.136,00			5.889,87	5.889,87	-	-
Amount equivalent to the value of net deferred tax assets							-	-
Total Basic own funds after deductions	**8.467,19**	**8.467,19**			**8.221,06**	**8.221,06**	**-**	**-**
Other complementary own funds							-	-
Total Complementary Own Funds							**-**	**-**
Total available Own funds to cover the SCR	**8.467,19**	**8.467,19**			**8.221,06**	**8.221,06**	**-**	**-**
Total available own funds to cover the MCR	**8.467,19**	**8.467,19**			**8.221,06**	**8.221,06**	**-**	**-**
Total eligible own funds to cover the SCR	**8.467,19**	**8.467,19**			**8.221,06**	**8.221,06**	**-**	**-**
Total eligible own funds to cover the MCR	**8.467,19**	**8.467,19**			**8.221,06**	**8.221,06**	**-**	**-**

(Amounts in thousands of euros)

Since each component of own funds has a different capacity to absorb losses, these elements are classified into three levels according to their quality, which is determined by the following characteristics: subordination, availability to absorb losses, permanence, perpetuity and chargeability.

The Mutual Fund and the reconciliation reserve are unrestricted level one elements since they substantially meet the first three characteristics.

The surplus of the assets over the liabilities differs from the net assets shown in our financial statements only by the valuation differences set forth in the previous chapter.

Basic own funds have increased in 2022 by 246,13 thousand euros compared to what happened in 2021.

Admissibility of own funds

In accordance with the Directive, there are limits on the Own Funds as regards the coverage of the Solvency Capital Requirement and the Minimum Capital Requirement depending on its level. The following table shows the admissibility of the Own Funds:

Own Funds	31/12/2022				31/12/2021			
	Total	Tier 1 Unrestricted	Tier 2	Tier 3	Total	Tier 1 Unrestricted	Tier 2	Tier 3
Total available Own funds to cover the SCR	8.467,19	8.467,19			**8.221,06**	**8.221,06**	**-**	**-**
Total available own funds to cover the MCR	8.467,19	8.467,19			**8.221,06**	**8.221,06**	**-**	**-**
Total eligible own funds to cover the SCR	8.467,19	8.467,19			**8.221,06**	**8.221,06**	**-**	**-**
Total eligible own funds to cover the MCR	8.467,19	8.467,19			**8.221,06**	**8.221,06**	**-**	**-**

(Amounts in thousands of euros)

Level 1 basic own funds are not subject to any limit for the coverage of the Solvency Capital Requirement or the Minimum Capital Requirement.

Deferred Tax Assets:

With regard to the deferred tax assets, generated by the valuation differences, detailed in section "D. Valuation for Solvency II purposes", between the accounting and the economic balance sheet, the Entity has recognized 100% of the same, amounting to 1.323,16 thousand euros, which have been justified through the reversal of the deferred tax liabilities recognized in the economic balance sheet, 1,600,28 thousand euros.

The Company has no net deferred tax assets on the balance sheet, and therefore they do not form part of the basic equity items classified in level 3.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

We have calculated the Solvency Capital Requirement by using the standard formula without the use of specific parameters or simplified methods.

In the following table we present the result of the Solvency Capital Requirement at the end of 2022 and 2021 by modules and sub-modules:

Net Solvency Capital Requirement	2022	2021	Variation
Market risk	1.656,24	2.083,22	-426,98
Counterparty default risk	1.210,79	1.196,05	14,74
Life underwriting risk	-	-	-
Health underwriting risk	-	-	-
Non-life underwriting risk	1.114,06	1.106,56	7,5
Diversification Effect	-1.027,37	-1.112,19	84,82
Intangible assets risk	-	-	-
Basic Solvency Capital Requirement	2.953,70	3.273,64	-319,94
Operational risk	449,68	379,61	70,07
Capacity to absorb deferred tax losses	-594,41	-620,47	26,06
Solvency capital Requirement, excluding the addition of capital	**2.808,98**	**3.032,78**	-223,8
Addition of capital already set	-	-	-
Solvency Capital Requirement	**2.808,98**	**3.032,78**	-223,8

(Amounts in thousands of euros)

The main risk to which the Entity is exposed is the Market Risk, 33,33% of the market capital requirements are originated by the Property Risk. Market Risk represents 42% of the Solvency Capital Requirement.

The non-life underwriting risk of EUR 1.114,06 thousand is insignificant compared to the volume of premiums earned, since it is mitigated by the reinsurance ceded.

Counterparty risk represents 31% of the Bank's Solvency Capital Requirement before diversification, due to the amount of reinsurance mitigation which is exposed to this risk.

As regards the loss absorption capacity of deferred taxes for the year 2022, it has been 594,41 thousand euros justified in its entirety by the reversal of deferred tax liabilities. Therefore, the Entity has only recognized 594,41 thousand euros and not the 850,85 thousand euros that could have been recognized in the event of using a projection model of future profits for its justification.

The temporality analysis carried out to justify the loss-absorbing capacity of deferred taxes is detailed below:

Deferred Tax Temporality	1	2
Asset Economic Balance	981,39	485
Liabilities Economic Balance	1.520	541
Reversal of Assets with Liabilities	**155%**	**111%**
Loss Absorption Capacity	597,53	-
CAP ID justified through ID Liabilities Reversal	538,83	55,57

Below is detailed the composition of the Solvency Capital Requirement corresponding to the 2022 and 2021 financial years:

SCR before diversification effect	% SCR 2022	% SCR 2021
Market risk	42%	48%
Counterparty default risk	30%	27%
Life underwriting risk	-	-
Health underwriting risk	-	-
Non-life underwriting risk	28%	25%

During the period analysed, we observed that Market Risk continues to be the risk with the highest capital requirement for the Entity, with 42%. We did not observe significant changes in the composition of the Capital Requirement between the two periods.

Minimum Capital Requirement

Minimum Capital Requirement	
Linear Minimum Capital Requirement	308,57
Solvency Capital Requirement	2.808,98
Minimum Capital Requirement maximum level	1.264,04
Minimum Capital Requirement minimum level	702,24
Combined Minimum Capital Requirement	702,24
Minimum Capital Requirement absolute minimum	4.000,00
Minimum Capital Requirement	4.000,00

(Amounts in thousands of euros)

Solvency Ratio

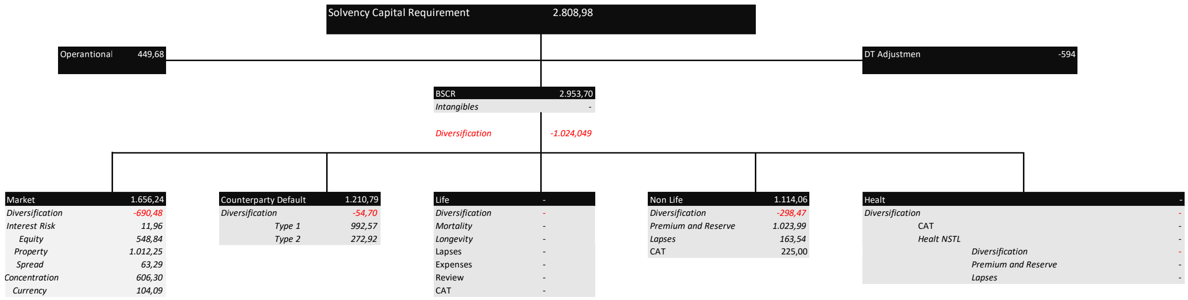
Solvency Ratios	2022	2021	Variation
Total available Own funds to cover the SCR	8.467,19	8.221,06	246,13
Total available own funds to cover the MCR	8.467,19	8.221,06	246,13
SCR	2.808,98	3.032,78	-223,80
MCR	4.000,00	3.700,00	300
Total eligible own funds to cover the SCR	**3,01**	**2,71**	**0,30**
Total eligible own funds to cover the MCR	**2,12**	**2,22**	**-0,10**

(Amounts in thousands of euros)

The Entity presents a solvency ratio of 301% and 212%, respectively on the Capital of Obligatory Solvency and the Capital of Minimum Solvency, complying with the solvency requirements, as well as with the defined risk tolerance limits.

With respect to the previous year, we did not observe significant changes in the Capital of Obligatory Solvency and on the Capital of Minimum Solvency. We would like to highlight a decrease in the SCR of 246,13 thousand euros as well as an increase in the eligible equity to cover the SCR of 223,80 thousand euros. These differences in magnitude mean that the ratio has increased by 30 percentage points.

Finally, after analysing the Entity's Capital of Obligatory Solvency, we show the composition of the CSO for this financial year, segregating by risk and sub-risk:



(Amounts in thousands of euros)

E.3 Equity risk sub-module based on the duration.

We have not used the Equity Risk Sub-module based on the duration for the calculation of the SCR.

E.4 The use of an Internal Model

No complete or partial internal model has been used to calculate the Solvency Capital Requirement.

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

At the end of 2022, we met both the Minimum Capital Requirement and the Solvency Capital Requirement.

E.6 Any other information

At the time of preparation of this report, there is no other significant information to consider regarding the capital management.

F. Annex

S.02.01.01 Balance Sheet

Assets	Solvency II
Intangible Assets	**-**
Deferred Tax Assets	**1.466,79**
Assets and reimbursement rights long-term compensations to personnel	**-**
Property, plant and equipment for own use	**2.253,53**
Investments (other than index-linked and unit-linked)	**3.998,39**
Property (other than for own use)	1.795,45
Participations	-
Shares	474,47
Shares - listed	430,74
Shares - Unlisted	43,74
Bonds	857,5
Public debt	-
Private debt	857,5
Structured financial assets	-
Securitization of assets	-
Investment funds	870,98
Derivatives	-
Deposits other than cash equivalent assts	-
Other investments	-
Assets held for index-linked and unit-linked contracts	**-**
Loans and mortgages with and without collaterals	**-**
Advances against policies	-
To individuals	-
Other	-
Recoverable amounts of the reinsurance	**5.415,69**
Non-life insurances and health insurances similar to insurances other than life	5.415,69
Insurances other than life insurances, excluding health	5.415,69
Health insurances similar to non-life insurances	-
Life insurances, and health insurances similar to life, excluding health and "index-linked" and "unit-linked"	-
Insurances similar to life insurances	-
Life insurances, excluding health and index-linked and unit-linked	-
Life insurances index-linked and unit-linked	-
Deposits constituted by accepted reinsurance	**-**
Loans for direct insurance and coinsurance operations	**928,62**
Loans for coinsurance operations	**559,76**
Other loans	**331,08**
Own shares	**-**
Shareholders and members for called capital	**-**
Cash and other equivalent liquid assets	**3.677,17**
Other assets, not elsewhere shown	**-**
TOTAL ASSETS	**18.631,04**

(Amounts in thousands of euros)

Liabilities	Solvency II
Technical provisions - non-life insurances	**6.354,39**
Technical provisions - other than life (Excluding sickness)	6.354,39
TP calculated as a whole	-
Best Estimate	6.184,33
Risk Margin	170,06
Technical provisions - health (similar to non-life insurances)	-
TP calculated as a whole	-
Best Estimate	-
Risk Margin	-
Technical provisions - life (excluding index-linked and unit-linked)	**-**
Technical provisions - health (similar to life insurances)	-
TP calculated as a whole	-
Best Estimate	-
Risk Margin	-
Technical provisions - life (excluding health and index-linked and unit-linked)	-
TP calculated as a whole	-
Best Estimate	-
Risk Margin	-
Technical provisions - index-linked and unit-linked	**-**
TP calculated as a whole	-
Best Estimate	-
Risk Margin	-
Other technical provisions	-
Contingent liabilities	**-**
Other non-technical provisions	**-**
Provision for pensions and similar obligation	**-**
Deposits from ceded reinsurance	**-**
Deferred tax liabilities	**2.061,20**
Derivatives	**-**
Debts owed to credit institutions	**-**
Financial liabilities other than debts owed to credit institutions	-
Payables from insurance and coinsurance operations	**466,9**
Payables from reinsurance operations	**763,39**
Other debts and payables	**517,97**
Subordinated liabilities	**-**
Subordinated liabilities no in the basic own funds	**-**
Subordinated liabilities in the basic own funds	**-**
Other liabilities, not elsewhere shown	**-**
TOTAL LIABILITIES	**10.163,84**
EXCESS OS ASSETS OVER LIABILITIES	**8.467,19**

S.05.01.01 Premiums, claims ad expenses by line of business

		Marine, aviation and transport insurance	Total
		C0060	C0200
Earned premiums			
Direct insurance - gross	R0110	14.057,89	14.057,89
Proportional reinsurance accepted - Gross	R0120	1.243,51	1.243,51
Non-proportional reinsurance accepted - Gross	R0130		
Ceded reinsurance (Reinsurance share)	R0140	**13.662,82**	**13.662,82**
Net amount	R0200	**1.638,58**	**1.638,58**
Allocated premiums			
Direct insurance - gross	R0210	13.791,60	13.791,60
Proportional reinsurance accepted - Gross	R0220	1.197,79	1.197,79
Non-proportional reinsurance accepted - Gross	R0230		
Ceded reinsurance (Reinsurance share)	R0240	**13.392,37**	**13.392,37**
Net amount	R0300	**1.597,02**	**1.597,02**
Claim rate (Incurred claims)			
Direct insurance - gross	R0310	6.615,94	6.615,94
Proportional reinsurance accepted - Gross	R0320	503,52	503,52
Non-proportional reinsurance accepted - Gross	R0330		
Ceded reinsurance (Reinsurance share)	R0340	**6.130,89**	**6.130,89**
Net amount	R0400	**988,57**	**988,57**
Variation of other technical provisions			
Direct insurance - gross	R0410	-	-
Proportional reinsurance accepted - Gross	R0420	-	-
Non-proportional reinsurance accepted - Gross	R0430		
Ceded reinsurance (Reinsurance share)	R0440	-	-
Net amount	R0500	-	-
Technical expenses	R0550	199	199
Other expenses	R1200		
Total expenses	R1300		

S.17.01.02 Non-life technical provisions

		Marine, aviation and transport insurance	Total non-life obligations
		C0070	C0180
Technical provisions calculated as a whole	R0010	-	-
Total retrievable amounts of reinsurance, SPV and limited reinsurance, after the corresponding adjustment to the expected losses for counterparty default, corresponding to the TTPP as a whole	R0050	-	-
Technical provisions calculated as the sum of a best estimate and a risk margin			
Best estimation:			
Premium provisions			
Gross	R0060	-755,8	-755,8
Total recoverable amounts of reinsurance, SPV and limited reinsurance, after the corresponding adjustment to the expected losses for counterparty default	R0140	-421,55	-421,55
Best net estimate of premium provisions	R0150	-334,25	-334,25
Claims provisions			
Gross	R0160	6.940,13	6.940,13
Total recoverable amounts of reinsurance, SPV and limited reinsurance, after the corresponding adjustment to the expected losses for counterparty default	R0240	5.837,24	5.837,24
Best net estimate of claims provisions	R0250	1.102,88	1.102,88
Total best estimate gross	R0260	6.184,33	6.184,33
Total best estimate net	R0270	768,64	768,64
Risk margin	R0280	170,06	170,06
Amount of the transitional measure on the technical provisions			
Technical provisions calculated as a whole	R0290	-	-
Best estimate	R0300	-	-
Risk margin	R0310	-	-
TOTAL TECHNICAL PROVISIONS			
Total technical provisions	R0320	6.354,39	6.354,39
Total retrievable amounts of reinsurance, SPV and limited reinsurance, after the corresponding adjustment to the expected losses for counterparty default	R0330	5.415,69	5.415,69
Total technical provisions minus retrievable amounts of reinsurance, SPV and limited reinsurance, after the corresponding adjustment to the expected losses for counterparty default	R0340	938,69	938,69

S.19.01.21 Claims in non-life insurances

Total non-life activities

Accident Year / Underwriting Year	Z0010	2022

Claims paid gross (not accumulated)

		-	1	2	3	4	5	6	7
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
Previous	R0100								
N-14	R0110	-	-	-	-	-	-	-	-
N-13	R0120	-	-	-	-	-	-	-	-
N-12	R0130	-	-	-	-	-	-	-	-
N-11	R0140	-	-	-	-	-	-	-	-
N-10	R0150	3.723,56	2.363,95	-73,73	-57,05	24,32	-	-	-
N-9	R0160	7.031,73	1.618,13	39,54	83,19	-307,84	0,66	104,62	1,73
N-8	R0170	5.738,02	1.613,86	187,91	388,28	-	-	-	-
N-7	R0180	7.580,57	1.631,36	54,29	117,62	16	-	3,5	22,17
N-6	R0190	3.848,04	1.979,40	426,51	77,38	6,09	14,01		
N-5	R0200	4.340,06	2.273,19	278,98	-50,15	30,91	10,83	3,50	
N-4	R0210	6.143,67	1.280,04	85,28	-935,6	644,92			
N-3	R0220	8.559,77	2.426,75	-995,12	84,02				
N-2	R0230	3.592,58	3.353,20	206,67					
N-1	R0240	4.124,10	3.730,92						
N	R0250	2.887,90							

		8	9	10	11	12	13	14	15 & +
		C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Previous	R0100								-
N-14	R0110	-	-	-	-	-	-	-	
N-13	R0120	-	-	-	-	-	-		
N-12	R0130	-	-	-	-	-			
N-11	R0140	-	-	-	-				
N-10	R0150	-	-	-					
N-9	R0160	-	-						
N-8	R0170	-							

		C0170	Sum of years (accumulated)
		C0170	C0180
Previous	R0100		-
N-14	R0110	-	-
N-13	R0120	-	-
N-12	R0130	-	-
N-11	R0140	-	-
N-10	R0150	3.723,56	5.981,05
N-9	R0160	9.395,68	8.571,76
N-8	R0170	7.282,43	7.928,07
N-7	R0180	9.176,93	9.425,52
N-6	R0190	5.774,83	6.351,42
N-5	R0200	6.454,20	6.883,83
N-4	R0210	8.961,65	7.218,31
N-3	R0220	10.316,78	10.075,42
N-2	R0230	6.062,28	7.152,46
N-1	R0240	5.595,00	7.855,02
N	R0250	7.587,43	2.887,90
Total		80.330,76	80.330,76

Best gross estimate without discounting the provisions for accidents

		Year of evolution															
		-	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Previous	R0100																-
N-14	R0110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
N-13	R0120	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
N-12	R0130	-	-	-	-	-	-	-	-	-	-	-	-	-			
N-11	R0140	-	-	-	-	-	-	-	-	-	-	-	-				
N-10	R0150	-	-	-	-	-	-	-	-	-	-	-					
N-9	R0160	-	-	-	-	-	-	-	-	-	-						
N-8	R0170	-	-	-	10,03	9,99	59,53	1,19	-	-							
N-7	R0180	-	-	400,58	273,57	70,87	46,53	0,82	-								
N-6	R0190	-	421,71	194,82	-7,48	23,23	23,91	4,93									
N-5	R0200	2.825,70	984,69	107,07	947,93	26,76	25,59										
N-4	R0210	3.698,94	278,5	219,54	-7,48	31,08											
N-3	R0220	4.767,62	939,1	-79,3	127,26												
N-2	R0230	5.417,77	-9,17	55,06													
N-1	R0240	1.737,92	85,43														
N	R0250	1.262,74															

		End of year (discounted data)
		C0360
	R0100	-
	R0110	-
	R0120	-
	R0130	-
	R0140	-
	R0150	-
	R0160	-
	R0170	-
	R0180	-
	R0190	4,78
	R0200	24,63
	R0210	29,11
	R0220	120,69
	R0230	48,79
	R0240	76,32
	R0250	1.219,32
Total	R0260	1.523,64

S.23.01.01 Own Funds

-	-	Total	Tier 1 Unrestricted	Tier 1 Restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Original own funds before deduction for participations in another financial sector according to Article 68 of the Delegated Regulation (EU) 2015/35						
Share capital of ordinary shares (including own shares)	R0010	2.331,19	2.331,19		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial mutual fund	R0040	-	-		-	
Subordinated mutual accounts	R0050	-		-	-	
Surplus funds	R0070	-	-			
Preferred shares	R0090	-		-	-	-
Premiums on shares and preference shares	R0110	-		-	-	-
Reconciliation Reserve	R0130	6.136,00	6.136,00			
Subordinate liabilities	R0140	-		-	-	-
Amount equivalent to the value of the net deferred tax assets	R0160	-				-
Other items approved by the supervisory authority as original own funds not specified above	R0180	-	-	-	-	-
Financial statement equity not to be represented by the reconciliation reserve and not meeting the criteria for classification as Solvency II equity						
Financial statement equity not to be represented by the reconciliation reserve and not meeting the criteria for classification as Solvency II equity	R0220	-				
Deductions not included in the reconciliation reserve						
Deduction for holdings in financial and credit institutions	R0230	-	-	-	-	
Total basic equity after adjustments	**R0290**	**8.467,19**	**8.467,19**	-	-	-
Complementary Own Funds						
Available and eligible capital						
Total equity available to cover the SCR	R0500	8.467,19	8.467,19	-	-	-
Total equity available to cover the MCR	R0510	8.467,19	8.467,19	-	-	
Total own funds eligible to cover the SCR	R0540	8.467,19	8.467,19	-	-	-
Total own funds eligible to cover the MCR	R0550	8.467,19	8.467,19	-	-	
SCR	**R0580**	2.808,98				
MCR	**R0600**	4.000,00				
Ratio of eligible own funds to SCR	**R0620**	3,01				
Ratio of eligible own funds to MCR	**R0640**	2,12				

		Amount
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	8.467,19
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	2.331,19
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	0
Reconciliation reserve	R0760	6.136,00
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	501,81
Total EPIFP	R0790	501,81

S.25.01.21 Solvency capital requirement - for companies that use the standard formula

		Net Solvency Capital Requirement	Gross Solvency Capital Requirement
		C0030	C0040
Market risk	R0010	1.656,24	1.656,24
Counterparty default risk	R0020	1.210,79	1.210,79
Life underwriting risk	R0030	-	-
Health underwriting risk	R0040	-	-
Non-life underwriting risk	R0050	1.114,06	1.114,06
Diversification	R0060	-1.027,37	-1.027,37
Intangible asset risk	R0070	-	-
Basic Solvency Capital Requirement	R0100	2.953,70	2.953,70

Calculation of Solvency Capital Requirement		**C0100**
Operational risk	R0130	449,68
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	-594,41
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency capital requirement, excluding capital add-on	R0200	2.808,98
Capital add-ons already set	R0210	-
Solvency Capital Requirement	R0220	2.808,98
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

S.25.01.83 Deferred taxes

		C0109
Approach based on the average tax rate	R0590	YES

		Before crash	After crash	Loss absorption capacity of deferred taxes
		C0110	C0120	C0130
Deferred tax assets	R0600	1.466,79	-	-
Deferred tax assets, transfer	R0610	143,63	-	-
Deferred tax assets due to deductible temporary differences	R0620	1.323,16	-	-
Deferred tax liabilities	R0630	2.061,20	-	-
Loss absorption capacity of deferred taxes	R0640	-	-	-594,41
Loss absorption capacity of deferred taxes justified by reversal of deferred tax liabilities	R0650	-	-	-594,41
Loss absorption capacity of deferred taxes justified by reference to probable future taxable profits	R0660	-	-	-
Loss absorption capacity of deferred taxes justified by transfer, current years	R0670	-	-	-
Loss absorption capacity of deferred taxes justified by transfer, future years	R0680	-	-	-
Maximum loss absorption capacity of deferred taxes	R0690	-	-	850,85

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

		Result MCR(NL,NL)	Result MCR(NL,L)
		C0010	C0020
Component of the linear formula for non-life insurance and reinsurance obligations	R0010	309	-

Overall MCR calculation

		C0070
Linear MCR	R0300	309
SCR	R0310	2.809
MCR cap	R0320	1.264
MCR floor	R0330	702
Combined MCR	R0340	702
Absolute floor of the MCR	R0350	4.000
		C0070
Minimum capital requirement	R0400	**4.000**