



First Title Insurance plc
Solvency & Financial Condition Report

(For financial year ended 31 December 2024)

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Summary

First Title Insurance plc (First Title) is an insurance company based in the United Kingdom (UK) that provides title insurance to the UK market. Title insurance is classified as miscellaneous financial loss business and is a no-fault insurance policy that can protect from a wide range of title risks associated with buying and owning a property. It covers legal expenses and costs in resolving the problem or compensates for loss.

Historically, First Title also provided title insurance directly to non-UK European markets. However, on 28 April 2020, First Title completed a transfer of all non-UK European policies, under Part VII of the Financial Services and Markets Act, to First European Title Insurance Company Limited (First European), an insurance company within the wider First American Financial Corporation group, which has its base of operations in Malta (the Part VII transfer). Following the Part VII transfer, First European commenced providing title insurance to non-UK European markets, with reinsurance cover provided by First Title on all policies issued by First European since that date. This reinsurance cover provided by First Title is classified as non-proportional reinsurance business.

In past years, First Title also wrote England & Wales solicitors' professional indemnity insurance. The board of First Title decided to cease writing this line of business with effect from 1 October 2015 and considers that this line of business has now run-off following the settlement of the final related claim during the period. As such, at 31 December 2024, nil technical provisions were held in relation to this line of business.

This solvency and financial condition report (SFCR) provides information on First Title and an overview of business and performance, system of governance, risk profile, valuation for solvency purposes and capital management. Ultimate responsibility for this report and these areas lies with the board of First Title.

In the year ended 31 December 2024, First Title reported a statutory accounts profit after tax of £6.9m, which compares to a statutory accounts profit after tax of £6.4m in the prior year, an increase of £0.5m. This increase in profitability reflects an improved underwriting performance. The balance on the technical account of £6.4m profit compared to a profit of £5.3m in the prior year. The uplift in underwriting profits was achieved despite the challenging economic environment, particularly in the property sector. The Company's gross earned premiums increased by 14% compared to the prior year reflecting a particularly strong performance in the UK commercial property title insurance market, which more than offset a marginal decline in gross earned premiums from the sale of residential title insurance. The UK residential property market continued to be impacted by ongoing economic challenges including mortgage interest rates which are much higher than in the recent past and inflation which remains above target, which subdued the recovery in market activity. Overall, however, gross earned premiums from the UK market were 13% higher than in the prior year and reinsurance gross earned premiums from Europe were 28% higher. The investment performance in the year generated gains of £2.8m which, together with the underwriting result resulted in a profit before tax of £9.2m. The investment performance reflected trends in global markets in the year.

On a Solvency II valuation basis, eligible own funds increased by £6.0m from £39.1m to £45.1m. The increase reflected the retained profit for the year on a Solvency II basis. The retained profit for the year on a Solvency II basis was less than the retained profit on a UK GAAP basis due to the changes in value of the net technical provisions valued on a Solvency II basis compared to a UK GAAP basis. Net technical provisions decreased by £1.4m year-on-year in the statutory accounts whereas there was a decrease of £0.6m year-on-year on a Solvency II valuation basis.

First Title's eligible own funds solely comprise tier 1 unrestricted amounts classified as basic own funds. The solvency capital requirement (SCR) at the year-end increased by £2.1m from £14.3m to £16.4m. Overall, therefore, the ratio of eligible own funds to SCR increased from 274% to 276%. The minimum capital requirement (MCR) increased by £0.5m from £3.6m to £4.1m. First Title fully complied with the SCR and MCR throughout the year.

There have been no material changes to the system of governance, the risk profile or financial stability of First Title during the reporting period other than as set out above. First Title operates the universally recognised three lines of defence model in respect of the governance of risk, as more fully set out in section B below.

First Title's most material risk from a capital requirement perspective is underwriting risk followed by market risk the combination of which account for the majority of First Title's SCR. These and other less significant risks are considered more fully in section C below.

First Title has not used any transitional arrangements in the calculation of its eligible own funds or SCR.

Directors' statement in respect of the SFCR for the year ended 31 December 2024

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

We are satisfied that:

- a) Throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable to the insurer; and
- b) It is reasonable to believe that the insurer has continued so to comply and will continue so to comply in future.

Signed:



Kevin Dick

Date: 27 March 2025

A. Business and performance

A.1 Business

First Title is a public company limited by shares and incorporated in England & Wales with the registered company number 01112603. First Title is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA. Group supervision is also undertaken by the PRA. In the UK the PRA applies the Solvency II regulatory framework as adopted and updated within the Solvency UK regime as detailed within the PRA Rulebook. Further details of First Title's regulation can be found on The Financial Services Register at <https://register.fca.org.uk>, where First Title has the reference number 202103.

Contact details for the PRA:

20 Moorgate, London, EC2R 6DA
Telephone: 020 7601 4444

Contact details for the FCA:

12 Endeavour Square, London, E20 1JN
Telephone: 0800 111 6768 (UK); +44 (0) 20 7066 1000 (abroad)

consumer_queries@fca.org.uk

The external auditor for the year ended 31 December 2024 was PKF Littlejohn LLP:

15 Westferry Circus, Canary Wharf, London, E14 4HD
Telephone: +44 (0)20 7516 2200

First Title is a wholly owned subsidiary of FAF International Holdings GmbH (FAFIH), a company incorporated in Switzerland. FAFIH is a wholly owned subsidiary of First American Financial Corporation (FAFC). FAFC is a public company incorporated in the United States of America and listed on the New York Stock Exchange (NYSE: FAF).

A simplified group structure identifying where First Title is located within the worldwide group is shown below:



First Title has no subsidiaries or investments in jointly owned entities or associates.

First Title currently issues title insurance directly in the UK market and provides reinsurance to First European on title insurance issued by that company in non-UK European markets. Title insurance is classified as miscellaneous financial loss business and is a no-fault insurance policy that can protect from a wide range of title risks associated with buying and owning a property. It covers legal expenses and costs in resolving the problem or compensates for loss. First Title used to issue professional indemnity insurance to England & Wales solicitors, but ceased underwriting this business with effect from 1 October 2015.

A.2 Underwriting performance

The tables below analyse the underwriting performance for each of the years 2024 and 2023 into material lines of business and geographical areas.

The profit in 2024 of £6.4m (before investment income and taxation) was an increase of £1.1m on the prior year profit of £5.3m. This reflects an increase in gross premiums earned of £2.5m plus a decrease in gross claim costs of £0.2mil plus the decrease in the cost of reinsurance of £0.2m less the increase in operating expenses of £1.8m.

First Title's combined operating ratio, being the ratio of net claims incurred and operating expenses to net premiums earned, was 68% for 2024 (2023: 70%).

	2024 Performance			Total
	General liability insurance (UK)	Miscellaneous financial loss (UK)	Non-proportional reinsurance (Europe ex UK)	
	£'000	£'000	£'000	£'000
Gross premiums earned	-	20,424	462	20,886
Reinsurance premium	-	(718)	(13)	(731)
Net premiums earned	-	19,706	449	20,155
Gross claims incurred	92	764	(265)	591
Reinsurers' share of claims	(69)	407	47	385
Net claims incurred	23	1,171	(218)	976
Underwriting result	23	20,877	231	21,131
Operating expenses				(14,749)
Balance on technical account				6,382

	2023 Performance			Total
	General liability insurance (UK)	Miscellaneous financial loss (UK)	Non-proportional reinsurance (Europe ex UK)	
	£'000	£'000	£'000	£'000
Gross premiums earned	-	18,028	360	18,388
Reinsurance premium	-	(651)	(11)	(662)
Net premiums earned	-	17,377	349	17,726
Gross claims incurred	(43)	(361)	41	(363)
Reinsurers' share of claims	32	(165)	(9)	(142)
Net claims incurred	(11)	(526)	32	(505)
Underwriting result	11	17,903	317	18,231
Operating expenses				(12,897)
Balance on technical account				5,334

A.3 Investment performance

The investment performance for 2024 is detailed below, together with the prior year comparative:

	2024 £'000	2023 £'000
Income from corporate bonds	968	768
Income from government bonds	22	32
Income from equities	252	240
Income from other investments	475	263
	<u>1,717</u>	<u>1,303</u>
Gains on the realisation of investments	63	660
Less accumulated unrealised gains from prior years	(153)	(121)
(Loss) / Gain on disposal of investments	<u>(90)</u>	<u>539</u>
Unrealised gains on investments	1,203	1,071
Total investment income	<u><u>2,830</u></u>	<u><u>2,913</u></u>

Investment management expenses included within operating expenses disclosed above in A.2 Underwriting performance were £150,000 during 2024 (2023: £121,000).

It can be confirmed that, during 2024, there were no:

- gains or losses on investments recognised directly in equity;
- investments in securitisations; or
- other material items of income and expenses relating to investments which have not been disclosed above.

A.4 Performance of other activities

There was no other material income and no other material expenses incurred in either 2024 or 2023.

Operating expenses in A.2, above, include operating lease charges in respect of properties, amounting to £541,000 in 2024 (2023: £493,000). First Title does not have any finance leases.

A.5 Any other information

The key events that impacted upon First Title during 2024 were the ongoing economic challenges including mortgage interest rates being much higher than in the recent past and inflation which remains above target. Despite these challenges it is noted that First Title improved its underwriting performance from the prior year and capital ratio from the prior year end.

First Title continues to manage the impact of these economic challenges by seeking to grow market share in response to the decline in market activity, as well as actively managing operating costs. First Title was very well capitalised to manage the impact upon its solvency and financial position of these events.

B. System of governance

B.1 General information on the system of governance

First Title is committed to high standards of governance and transparency and has in place a governance structure to support this that the board considers is appropriate for the nature, scale and complexity of the risks inherent in the business. The governance structure has not materially changed during the year.

The board meets at least four times a year, and the executive team meets monthly. In addition, there are a number of committees, each of which has board representation. These committees meet regularly, with minutes and reports provided to the board / executive team to assist with oversight, strategic discussions and the maintenance of effective systems and controls.

The following committees have been appointed by, and operate under terms of reference set by, the board to assist them in satisfying their responsibilities:

Committee	Key roles and responsibilities
Audit	To oversee both the internal and external audit activities of First Title, ensuring that these audit activities can be carried out free from interference to maintain independence and objectivity.
Claims	To oversee the management and progress of higher value individual and classes of claims.
Reserving	To oversee the appropriateness of the technical provisions set on a gross and net basis including the review of actuarial reports assessing the best estimate technical provisions.
Risk	To oversee First Title's risk management framework including strategic decisions and policies on risk management; the monitoring of risk appetite and tolerance; and the identification, measurement, management, monitoring and reporting of risk.
Underwriting	To oversee the underwriting of risk including the development of underwriting guidelines; changes in underwriting criteria and policy wording; the setting of underwriting criteria and limits; and the evaluation of any issues notified by the claims committee.

In addition to the internal control functions listed in B.3, B.4, B.5 and B.6, the following key functions were also identified and in place during the reporting period:

Key function	Key roles and responsibilities
Claims	Undertakes claims handling and panel management of claims.
Finance	Ensures efficient and timely delivery of relevant and accurate financial and regulatory reporting, as well as the provision of capital and investment management information.
Human resources (HR)	Formulates, develops and implements effective HR strategies, policies and procedures including strategic aspects of change management, training & development, resourcing, plus pay and reward management.
Information technology (IT)	Implementation of IT strategy, and responsibility for development, operations, strategy and project services, delivering efficient and effective IT solutions in all aspects of the business.
Legal	Advising and reporting to the board on changes in legislation, managing projects to implement operational changes.
Underwriting	Contributes to the development and implementation of underwriting policy and strategy across UK underwriting and business.

Board members are appointed to ensure that First Title has in place a range of skills and competence at its most senior level to ensure there is appropriate scrutiny and good governance.

All key policies are approved by the board. This includes policies to support governance, underwriting performance and the internal control functions.

First Title's remuneration policy applies to all members of staff; it seeks to ensure that good corporate governance is maintained and that:

- First Title is able to attract, develop and retain high-performing and motivated employees;
- employees are offered a competitive and market-aligned remuneration package, making fixed salaries a significant remuneration component;
- employees feel encouraged to create sustainable results; and
- goals set for staff are aligned with First Title's business strategies and long-term goals.

Members of staff receive fixed remuneration, determined by the role and position of the individual employee, including professional experience, skills, responsibility, job complexity and local market conditions.

In addition, staff may receive a discretionary performance related payment based upon First Title's financial results and individual performance.

Sales staff may participate in commission schemes, which are set annually on an individual basis with a maximum cap per policy and per year and are designed to encourage individual performance without excessive risk-taking. The commission schemes are also aligned to First Title's values including integrity and also take into account non-financial misconduct.

Executive directors have specific performance targets based on financial and non-financial metrics that reflect First Title's short and long-term objectives. They are reviewed and approved by FAFC along with overall remuneration packages.

Other benefits are awarded on the basis of individual employment contracts and local market practice and may include pension, death in service, private medical insurance and car allowance.

All First Title employees are automatically enrolled into the defined contribution group personal pensions plan, the assets of which are held separately from First Title and independently administered.

During the reporting period, two directors participated in the First American Financial Corporation 2020 incentive compensation plan, which granted them restricted stock units that vest 33.3% per year over the three years from the date of grant.

First Title's primary reinsurer in respect of the title insurance line of business is with a subsidiary of FAFC, First American Title Insurance Company (FATIC).

No dividends were paid to the shareholder during the reporting period (2023; £400,000). There were no other material transactions with shareholders or management during the reporting period.

B.2 Fit and proper requirements

First Title has in place a policy setting out the procedure to be followed to ensure that all relevant employees are assessed as, and remain, fit and proper in the discharge of their functions. The core objectives of the policy are:

- to ensure that the Senior Managers and Certification Regime of the PRA and FCA is complied with;
- to ensure that, on appointment, individuals are competent to perform their role and meet with the fit and proper standard;
- to ensure ongoing competency and fitness;
- to provide a basis and process for the identification and notification of any potential, perceived or real conflicts of interest;
- to ensure that all individuals are aware of the policy, and that they are under a duty to report any areas of concern; and
- to ensure the appropriate regulator is notified when changes or amendments are made, or when any regulatory issues arise.

Compliance with the policy is the responsibility of the chief executive officer. In assessing whether or not an approved person or potential approved person is fit and proper, their CV will be reviewed and consideration given to their educational and technical qualifications, competence and experience relative to their duties or proposed duties, and these will be examined during an in-depth interview. Professional, personal and regulatory references will be obtained and reviewed as appropriate. A number of additional searches will be conducted including checks of criminal convictions, disciplinary proceedings, regulatory disqualifications and solvency.

The policy sets out that it is the responsibility of every relevant employee to ensure that they continue to meet the fitness requirements and that First Title will support them in this obligation by providing appropriate training. First Title monitor ongoing compliance through annual declarations, annual conduct checks for regulatory disqualification and repeat criminal record checks on at least a three-year rolling basis.

B.3 Risk management system including the Own Risk and Solvency Assessment

Risk management is embedded within First Title, through a risk management framework, which has been designed and implemented to support strategy, assist stakeholder confidence and to ensure that risk is identified, managed, monitored and controlled as far as it can be. The risk function is also responsible for the production of the Own Risk and Solvency Assessment (ORSA) with the risk management framework used to support this.

The risk management framework also supports the board in the implementation of strategy and the ongoing assessment of this, in the following way:



- **Board:** Ownership of risk at board level, setting strategic objectives and risk appetite.
- **Business Unit:** Own the risks within their own areas and are accountable for risk.
- **Risk function:** Provides support and advice to the business to manage risks. Assists with the embedding and operation of the risk management strategies and policies.
- **Risk committee:** Assists the board in satisfying their responsibilities in respect of risk.

Risks to First Title are monitored on an ongoing basis, with departments asked to consider any material changes at least quarterly. Reporting by the risk function is carried out and reviewed monthly. Quarterly risk reporting, including on the risk profile, is completed and provided to the risk committee along with supporting documentation.

Documented policies and procedures are in place in relation to the risk management framework and the ORSA, with the key policies reviewed and approved by the board.

The ORSA is completed at least annually. It incorporates an assessment of the strategy over the next five-year period and assesses First Title's solvency needs on a best estimate basis and under a number of stressed scenarios. The ORSA also considers whether the risk and capital profile remains appropriate and includes a review of capital management. Whenever a strategic change is considered, or a prescribed material predefined event occurs, the ORSA will be performed. Pre-defined events include, for example, acquisitions, significant new products, reduction of solvency below critical values, significant changes in regulation or a significant governance failure.

The high-level ORSA process can be found at Appendix A.

B.4 Internal control system

Each of the internal control functions comprising risk, internal audit, compliance and actuarial have the necessary resources, remit and authority to provide oversight and challenge within First Title. First Title operates the universally recognised three lines of defence model to provide assurance internally, as well as to all external stakeholders. The internal audit function is independent and all other control functions are operationally independent.

Compliance is ultimately the responsibility of all members of staff within the identified control framework, with the ethos of compliance with regulation and good governance communicated by the board. The compliance function is an internal function. It is responsible for providing compliance advice to the business and ensuring regulations are complied with via a cycle of reviews and control checking. The compliance function reports to the board on the outcome of the reviews and makes recommendations to enable compliance with changes to regulatory requirements.

B.5 Internal audit function

Internal audit is outsourced to FAFC, which then sub-outsourced this to RSM Risk Assurance Services LLP (RSM) for the audits conducted during 2024. Internal audit reports directly to the audit committee consisting entirely of independent non-executive directors. The function carries out a cycle of audits, as agreed by the audit committee, following a risk-based approach with focus placed on identified key functions, providing assurance to the board and to the business. To ensure that the independence of internal audit is maintained, internal auditors do not have direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair judgement.

B.6 Actuarial function

The actuarial function is outsourced to Milliman LLP. The actuarial function is overseen by the chief executive officer. Milliman LLP attends various committees, including the reserving committee, throughout the year. The function provides assurance and assistance in relation to claims and reserving, regulatory reporting and the identification and assessment of risk. In addition to the annual reserving report Milliman LLP provides to the board a formal annual actuarial function holder report.

B.7 Outsourcing

In addition to the outsourcing of the internal audit function and the actuarial function, the following activities are also considered critical outsourced functions:

Investment management: Arrangements are in place with third party investment managers, Investec Wealth & Investments Ltd, to manage First Title's portfolio of bond and equity investments. This relationship is overseen by the chief financial officer. Investment guidelines are agreed by the board. Management information on investments is reviewed by the board and the risk committee.

B.8 Any other information

John Maidens stood down from being Chief Executive Officer (SMF1), with the appointment of Kevin Dick on 26 February 2024. John Maidens became non-Executive chair of First Title (SMF9) on 11 July 2024, with Lance Gibbins stepping down, but remaining as a non-executive director. Antony Brousse became Chief Underwriting Officer (SMF23) on 1 June 2024.

The registered address of First Title changed to 42 Trinity Square, London EC3N 4DJ on 23 August 2024.

There have been no other material changes in the system of governance during the reporting period.

Internal audit provides the board with independent assessments of the adequacy of First Title's system of governance. The board considers that First Title's system of governance is appropriate to the size, nature and complexity of the business.

C. Risk profile

First Title's risk profile is regularly reviewed and communicated to the board.

During the period, the risk profile of First Title was somewhat affected by the ongoing impact of high inflation and high interest rates driven by significant global events. First Title will continue to monitor economic developments to assess if there is any further material change. First Title uses the standard formula to quantify the risk inherent in its business and the SCR for First Title for the year ended 31 December 2024 across each of the risk modules is set out at E.2 below.

Under the standard formula, title insurance is classified as miscellaneous financial loss business which attracts high premium and reserve rates when calculating the SCR compared to other lines of direct insurance business. Similarly, the non-proportional reinsurance class of business also attracts high premium and reserve rates. The board consider that the resultant SCR is therefore appropriately prudent when considering the nature of title insurance and the coverage provided to policyholders, such that use of the standard formula is still considered to be appropriate.

First Title's most material risk from a capital requirement perspective is underwriting risk followed by market risk, the combination of which account for the majority of First Title's SCR as shown at E.2 below. These and other categories of risk are considered below.

C.1 Underwriting risk

Underwriting risk is the risk to First Title of loss or an adverse change in the value of insurance liabilities, which could arise from a number of factors including an inadequate assessment or understanding of the risk, incorrect pricing or incorrect reserving assumptions due to a miscalculation of the size or frequency of future claims.

Title insurance is a very specialist line of business. Sums insured are often high and the risks covered are known and existing risks. To manage and mitigate this risk, First Title's senior underwriters are highly trained, experienced property professionals. First Title also benefits from the experience of its reinsurance company, FATIC, which has over 125 years' experience in writing title insurance and paying title insurance claims.

To further manage and mitigate risk in this area, First Title has in place the following committees that meet regularly to assist the board in its responsibilities to maintain effective systems, strategies and controls:

- **Underwriting committee:** Oversees the underwriting of risk, including oversight of development and adherence to underwriting limits and guidelines, reviews significant changes in underwriting criteria, pricing, policy wording and risk coverages.
- **Claims committee:** Oversees the management and progress of higher value individual and classes of claims.
- **Reserving committee:** Oversees the appropriateness of the technical provisions (both gross and net) and ensures appropriate reserves are held to cover likely future claim payments.

Information is regularly shared between these committees as well as with the actuarial function.

The chief mitigation for underwriting risk is reinsurance to diminish the impact of large losses. First Title has extensive reinsurance arrangements in place. First Title's primary reinsurance for title insurance business is on a non-proportional treaty / risk attaching basis with FATIC. Ongoing liabilities for the previously underwritten England & Wales solicitors' professional indemnity insurance are covered under both quota share and stop loss treaties with third party reinsurers.

The table below sets out the sensitivity of First Title's profit after tax, net assets and solvency ratio for the reporting period to changes in claims costs as a result of underwriting risk. The assumptions show the effect of an increase in net claim costs in the year equal to both 5% and 10% of the net technical provisions balance at the yearend on a statutory accounting basis, on the basis that there is no change in future management actions, the year-end technical provisions or SCR. The effect on First Title's solvency ratio is not material.

Assumptions	Profit after tax	Net Assets	Solvency Ratio
	£'000	£'000	%
Actual 2024 profit and net assets	6,925	44,357	276%
Increase in claims cost of 5%	6,667	44,099	274%
Increase in claims cost of 10%	6,410	43,842	272%

C.2 Market risk

Market risk for First Title encompasses the risk of adverse changes in the value of First Title's assets or liabilities as a result of changes in market variables such as interest rates, equity prices and exchange rates. Market risk includes currency risk, being the risk of a loss to First Title arising from changes in currency exchange rates. Market risk also includes concentration risk, which is the increased exposure to losses arising from a single event due to a lack of diversification of invested funds. These risks are managed by investment policies and guidelines designed to ensure investments are made in accordance with the "prudent person principle" such that they are of sufficient security, quality, liquidity and diversity to meet future liabilities and to limit concentration risk exposure. First Title does not invest in derivative

products, all investments held are traded on regulated financial markets and cash deposits are held with institutions with appropriate deposit credit ratings. First Title has developed its monitoring of the financial risks of climate change in relation to investments held by the company during the year, with portfolio performance against a number of environmental measures considered quarterly by the risk committee, with key areas reported to the board.

The table below sets out the sensitivity of First Title's profit after tax, net assets and solvency ratio for the reporting period to changes in the market value of investments at 31 December 2024 on the basis that there is no change in future management actions. As the market values of bond investments are generally less volatile than the market value of equity investments the assumptions are:

- Scenario 1: A decrease in the value of bond investments of 5% and of equity and collective investments of 10%;
- Scenario 2: A decrease in the value of bond investments of 10% and of equity and collective investments of 20%;
- Scenario 3: An increase in the value of bond investments of 5% and of equity and collective investments of 10%;
- Scenario 4: An increase in the value of bond investments of 10% and of equity and collective investments of 20%.

Assumptions	Profit after tax	Net Assets	Solvency Ratio
	£'000	£'000	%
Actual 2024 profit and net assets	6,925	44,357	276%
Scenario 1	5,200	42,632	275%
Scenario 2	3,476	40,908	273%
Scenario 3	8,648	46,080	275%
Scenario 4	10,373	47,805	275%

C.3 Credit and counterparty default risk

Credit and counterparty default risk is the risk of loss to, or of adverse change in the financial situation of, First Title, resulting from fluctuations in the credit standard of issuers of securities, counterparties and any debtors to which First Title is exposed. This risk also includes the risk that a counterparty defaults on payments due under the terms of arrangements in place. First Title's two main risks in this area, and mitigation thereof, are:

- the default of credit institutions holding First Title's cash deposits: this is mitigated by investment guidelines and policies that limit the amount held by any one institution and ensure each institution is of adequate financial standing; and
- the default of reinsurers: this is mitigated by ensuring that the reinsurers are of adequate financial standing and that amounts due are settled promptly in accordance with contractual terms.

Management information is provided to executive management and monitored on a monthly basis, and also to the board quarterly.

C.4 Liquidity risk

Liquidity risk is the risk that First Title is unable to realise investments and other assets in order to settle its financial obligations when they fall due. First Title mitigates this risk through investment guidelines that are designed to ensure sufficiently liquid assets are always available to ensure any urgent need that arises can be met. It is noted that, as at 31 December 2024 cash and cash equivalents, including term deposits, plus AA rated bond investments (or better) held cover 106% of the SCR. This mitigation is further supported by the reinsurance arrangements that are in place, especially in respect of large claims, which limit the obligations that have to be funded from First Title's investments and other assets. First Title does not recognise any expected profit included in future premiums and therefore the settlement of these amounts does not contribute to liquidity risk for First Title.

C.5 Operational risk

Operational risk is the risk to First Title of loss resulting from inadequate or failed internal processes, people (including the risk of failing to attract and maintain talent) and systems or from external events. Risks are mitigated through ensuring the existence of up-to-date documented policies and procedures for all key operational areas, staff training, regular performance reviews, internal audit and other independent reviews, such as ISO certification audits. In respect of monitoring people risk, First Title offers staff a discretionary performance related payment based upon First Title's financial results and individual performance, in addition to a competitive and market-aligned remuneration package, and promotes staff engagement with all staff communication events, and participation in the culture working group, which fosters an environment of diversity, equality and inclusion.

C.6 Other material risks

In addition to the risk categories above, First Title also monitors, manages and controls;

- conduct risk, the risk that the behaviour of First Title, either collectively or by individuals, will result in a failure to deliver good outcomes for customers or the market;
- group risk, the risk that First Title may be adversely affected by its relationships with other entities within the same group or by risks that may affect the group as a whole;
- reputational risk, the risk to First Title through deterioration of its reputation or standing due to negative perception of First Title, its group or associated companies, among customers, the market and its shareholders; and
- strategic risk, the risk to current and prospective earnings or capital for First Title arising from adverse business decisions, a failure to identify key opportunities, improper implementation of decisions or lack of responsiveness to industry changes.

C.7 Any other information

First Title is fully aware of the potential risks to the business and believes it has the appropriate controls in place to mitigate them. In addition, the risk management framework is used to monitor any threats to these areas of risk and to identify any potential areas of risk. These are also subjected to rigorous stress and scenario testing. Testing is carried out on a forward-looking basis, incorporating any future strategy and projected financial data. This data is then stressed to reflect a variety of potential adverse scenarios and business challenges that the business may face. Factors applied to the data are considered severe but potentially realistic. Testing completed has provided assurance to the board that First Title is well managed and sufficiently capitalised to be able to deal with significant events that may occur over the next five years based on the scenarios considered. The board does not consider there to be any reasonable foreseeable risk of non-compliance with First Title's MCR or SCR.

D. Valuation for solvency purposes

First Title's balance sheet as at 31 December 2024 is summarised below, detailing the values of assets and liabilities on both Solvency II and statutory accounting bases.

As at 31 December 2024	Solvency II value £'000	Statutory accounting value £'000
Total assets (excluding reinsurance recoveries on technical provisions)	54,284	54,607
Net technical provisions	(6,852)	(8,120)
Liabilities other than technical provisions	(2,366)	(2,130)
Total eligible own funds / net assets	45,066	44,357

The Solvency II balance sheet has been calculated in accordance with Directive 2009/138/EC of the European Parliament and of the Council (the Solvency II Directive), specifically Articles 75 to 86 of the Solvency II Directive text.

The statutory accounting balance sheet, has been calculated in accordance with UK accounting standards including FRS 102 ('The financial reporting standard applicable in the United Kingdom and the Republic of Ireland') and FRS 103 ('Insurance Contracts').

The approach and assumptions applied to the valuation of the balance sheet items have not changed during the year.

D.1 Assets

The following table analyses First Title's total assets (excluding reinsurance recoveries on technical provisions) as at 31 December 2024:

As at 31 December 2024	Solvency II value £'000	Statutory accounting value £'000
Property, plant and equipment	-	321
Deferred tax asset	-	5
Government bonds	1,109	1,092
Corporate bonds	26,312	25,895
Collective investment undertakings	9,497	9,497
Debtors	2,515	2,971
Cash and cash equivalents	14,851	14,826
Total assets (excluding reinsurance recoveries on technical provisions)	54,284	54,607

Property, plant and equipment

Property, plant and equipment amount relate to leasehold improvements, which under Solvency II are valued at £nil. For statutory accounting, these are stated at the historic purchase cost less accumulated depreciation. Depreciation is calculated to write off the costs on a straight-line basis over the life of the asset, which for leasehold improvements is the length of the lease.

Government and corporate bonds

Both government bonds and corporate bonds are held at fair value, being at quoted market price in active markets for identical assets for both Solvency II and statutory accounts.

For Solvency II, accrued interest on the bond investments held at 31 December 2024 is included within the value of the bond investments held, but for statutory accounts the accrued interest is included within debtors.

Equity investments

Equity investments are held at fair value, being at quoted market price in active markets for identical assets. The equity investments are valued on the same basis for Solvency II and statutory accounts.

Debtors

Debtors represent amounts due to First Title less any provisions made for irrecoverable balances, the amount of such provisions being immaterial at the year-end.

As noted above, for statutory accounts, interest due to First Title on the bond investments held is included in debtors whereas, for Solvency II, it is included in the value of government and corporate bonds. Similarly, the interest due to First Title on the cash deposits held is included in debtors, whereas, for Solvency II, it is included in the cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. For Solvency II, Euro denominated amounts are translated into the reporting currency as at the rate advised by the Prudential Regulation Authority, which was slightly different to the rate used for the statutory accounts resulting in an immaterial difference in the table above. Additionally, as above, accrued interest is included within the value of cash and cash equivalents for Solvency II, whereas this is included within the debtors balance within the statutory accounts.

D.2 Technical provisions

The net technical provisions represent the current expected cost of insurance liabilities as at 31 December 2024.

As at 31 December 2024	Solvency II value £'000	Statutory accounting value £'000
Technical provisions		
Gross insurance technical provisions	7,943	10,929
Reinsurers' share of technical provisions	(1,752)	(2,809)
Risk margin	661	-
Net technical provisions	6,852	8,120

For Solvency II, the net technical provisions comprise the gross best estimate technical provisions less the reinsurers' share of those technical provisions plus a risk margin. These are apportioned across the classes of business identified by Solvency II as follows:

	2024 Solvency II value		
	Miscellaneous financial loss £'000	Non-proportional reinsurance £'000	Total £'000
Gross best estimate technical provisions	7,410	533	7,943
Reinsurers' share of technical provisions	(1,633)	(119)	(1,752)
Best estimate liabilities net of reinsurance	5,777	414	6,191
Risk margin	618	43	661
Net technical provisions	6,395	457	6,852

The gross best estimate technical provisions and reinsurers' share of technical provisions represent the discounted cash flows of the undiscounted claims provisions as calculated by the actuarial function and reviewed by the board and executive team. Standard actuarial techniques such as the basic chain ladder, the expected loss ratio and the Bornhuetter-Ferguson methods were used to model the undiscounted claims provisions. The key assumptions used in the calculation of the provisions, which are unchanged from the prior year, were the loss development factors (derived from historical data and expert judgement), consideration of events not in data and estimation of costs associated with the run-off of policies in force at the balance sheet date. First Title does not recognise any expected profit included in future premiums and does not hold an unearned premium reserve.

As noted above, title insurance, classified as miscellaneous financial loss business, is a no-fault insurance policy that can protect from a wide range of title risks associated with buying and owning a property. Risks in relation to this line of business are generally known at the point the policy is issued and are not materially affected by subsequent environmental events for example. Uncertainty is therefore primarily due to whether or not the known title risk results in a claim and if so the quantum of that claim. Title insurance claim liabilities have tended to be long-tailed, meaning that it often takes several years for all the claims arising from an underwriting year to be notified and for them then to be settled and paid. Therefore, many years of historical experience are needed to provide a sound basis for the projection of future claims development.

The technical provisions in relation to non-proportional reinsurance relate to the reinsurance cover provided to First European. The underlying risks insured by First European are wholly title insurance risks and therefore are recorded locally as miscellaneous financial loss business, as above.

First Title's chief mitigation for underwriting risk is reinsurance to guard against large losses. The main reinsurance for the miscellaneous financial loss and non-proportional reinsurance lines of business is with FATIC, a subsidiary of FAFC, on a non-proportional treaty / risk-attaching basis.

The required risk margin has been calculated in accordance with Article 58 of the Delegated Regulation (EU) 2015/35. The risk margin is calculated as the amount of capital needed to support the solvency capital ratio over the lifetime of the business.

First Title has not used any simplifications in the calculation of its technical provisions.

First Title does not apply the matching adjustment referred to in Article 77b of the Solvency II Directive.

First Title does not use the volatility adjustment referred to in Article 77d of the Solvency II Directive.

First Title does not apply the transitional deduction referred to in Article 308d of the Solvency II Directive.

For statutory accounts, the net technical provisions are calculated in accordance with UK accounting standards and comprise the gross insurance technical provisions less the reinsurers' share of those technical provisions. These are apportioned across the classes of business as follows:

	2024 Statutory Accounts value		
	Miscellaneous financial loss £'000	Non-proportional reinsurance £'000	Total £'000
Gross insurance technical provisions	10,478	451	10,929
Reinsurers' share of technical provisions	(2,716)	(93)	(2,809)
Insurance liabilities net of reinsurance	7,762	358	8,120

Gross insurance technical provisions are held at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to First Title. The estimated cost of claims includes expenses to be incurred in settling claims and a deduction for the expected value of salvage and other recoveries. First Title takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures, and the IBNR provision is based upon the historical experience of First Title as well as consideration of sums insured and other factors as appropriate. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to First Title, where more information about the claim event is available. Claims IBNR may often not be apparent to First Title until many years after the claim event has arisen.

Where possible, First Title adopts multiple techniques to estimate the required level of these gross insurance technical provisions. This assists in giving greater understanding of the trends inherent in the data being projected. The projections given by the various methodologies also assist in setting the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each year of claim.

Gross insurance technical provisions are calculated at present value, are not discounted and exclude reinsurance recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers based on these gross insurance technical provisions.

D.3 Other liabilities

As at 31 December 2024	Solvency II value £'000	Statutory accounting value £'000
Liabilities (excluding technical provisions)		
Deferred tax liabilities	231	-
Taxation and social security	643	638
Insurance & intermediaries payable	521	521
Amounts owed to other group companies	971	971
Total Liabilities (excluding technical provisions)	2,366	2,130

Deferred tax liability

The deferred tax liability arises primarily as a result of the best estimate technical provisions included for Solvency II being lower in value than the technical provisions recognised in the statutory accounts.

Other liabilities

These represent amounts payable relating to tax arising on business written and profits earned, insurance liabilities payable, amounts owed to reinsurers and amounts owed to other companies within the group for services performed for First Title. These are all valued on materially the same basis for both Solvency II and statutory accounts as their amortised historical cost is not materially different to their fair value.

D.4 Alternative method for valuation

First Title does not use an alternative method for valuation.

D.5 Any other information

There is no other material information regarding the valuation of assets or liabilities for solvency purposes.

E. Capital management

The standard formula has been adopted for calculation of the capital position in accordance with the Solvency II Directive and the board considers that there was more than sufficient solvency capital for the business throughout the reporting period. The board maintains adequate eligible funds in excess of the SCR to meet its business objectives. First Title's business objectives are set quantitatively and qualitatively by the board annually on a forward-looking five-year basis. The five-year plan is tested using plausible scenarios and circumstances, identifying potential business stresses and so ensuring that adequate eligible funds in excess of the SCR are maintained.

Current eligible own funds, SCR and risks to the business are monitored by the executive team on a monthly basis and by the board quarterly, to identify any material variances that may necessitate a review of that five-year plan.

E.1 Own funds

Set out below is a table showing a reconciliation between the excess of assets over liabilities and equity shown in First Title's statutory accounts compared to total eligible own funds shown in the Solvency II balance sheet, all as at 31 December 2024.

	As at 31 December 2024 £'000
Excess of assets over liabilities and equity within the statutory accounts	41,880
Leasehold improvements valued at nil for Solvency II	(321)
Decrease in value of net technical provisions for Solvency II	1,268
Change in deferred tax reflecting Solvency II adjustments	(236)
Other small valuation differences	(2)
Excess of assets over liabilities and equity on a Solvency II basis	42,589
Tier 1 share capital	2,477
Total Solvency II eligible own funds	45,066

Own funds as at 31 December 2024, and throughout the year, were comprised solely of tier 1 unrestricted amounts classified as basic own funds. Share capital relates wholly to ordinary paid up share capital. There is therefore no difference between own funds and basic own funds and these were as follows over the reporting period:

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Ordinary share capital	2,477	2,477
Reconciliation reserve	42,589	36,634
Total eligible own funds for Solvency II	45,066	39,111

The reconciliation reserve is dependent upon both underwriting performance and investment performance. With regard to underwriting performance, volatility is managed through underwriting risk mitigation as set out in C.1 above, including extensive reinsurance arrangements. Investment performance volatility is managed through investment policies and guidelines, as more fully set out in C.2 above.

First Title did not pay a dividend during 2024 (2023: £0.4m). First Title has no plans to raise additional finance or issue new shares in the short or medium term.

E.2 Solvency capital requirement and minimum capital requirement

The SCR for First Title and the change to the SCR over the reporting period are detailed as follows:

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Underwriting risk	10,413	9,555
Market risk	9,311	7,933
Counterparty default risk	706	757
Diversification benefit	(4,470)	(4,000)
Basic solvency capital requirement	15,960	14,245
Operational risk	627	552
Loss-absorbing capacity of deferred taxes	(231)	(523)
Solvency capital requirement	16,356	14,274

There are no capital add-ons imposed on First Title by the PRA at the year-end, nor were there any during 2024 (2023: nil).

The MCR is calculated as a percentage of the technical provisions at the balance sheet date net of reinsurance recoveries and the net premiums over the previous 12 month period. It can be no more than 45% of the SCR and no less than the higher of 25% of the SCR and €4.0m for First Title. The own funds and capital requirements over the reporting period are detailed as follows:

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Eligible own funds to cover the SCR and MCR	45,066	39,111
SCR	16,356	14,274
MCR	4,089	3,569
Ratio of eligible own funds to SCR	276%	274%
Ratio of eligible own funds to MCR	1,102%	1,096%

First Title calculates the Risk Margin in accordance with Technical Provisions 4A and 4B of the PRA Rulebook – Technical Provisions. First Title does not use undertaking specific parameters in the calculation of the SCR.

The material movements in capital requirements in the year 31 December 2024 are detailed below.

Underwriting risk

The increase in the underwriting risk element of the SCR reflects an increase in net premiums earned during the year.

Market risk

The increase in market risk is primarily due to the increase in the value of investments held.

[E.3 Use of the duration-based equity risk sub-module in the calculation of the solvency capital requirement](#)

First Title does not use the duration-based equity risk sub-module in the calculation of the SCR.

[E.4 Differences between the standard formula and any internal model used](#)

First Title does not use an internal model.

[E.5 Non-compliance with the minimum capital requirement and non-compliance with the solvency capital requirement](#)

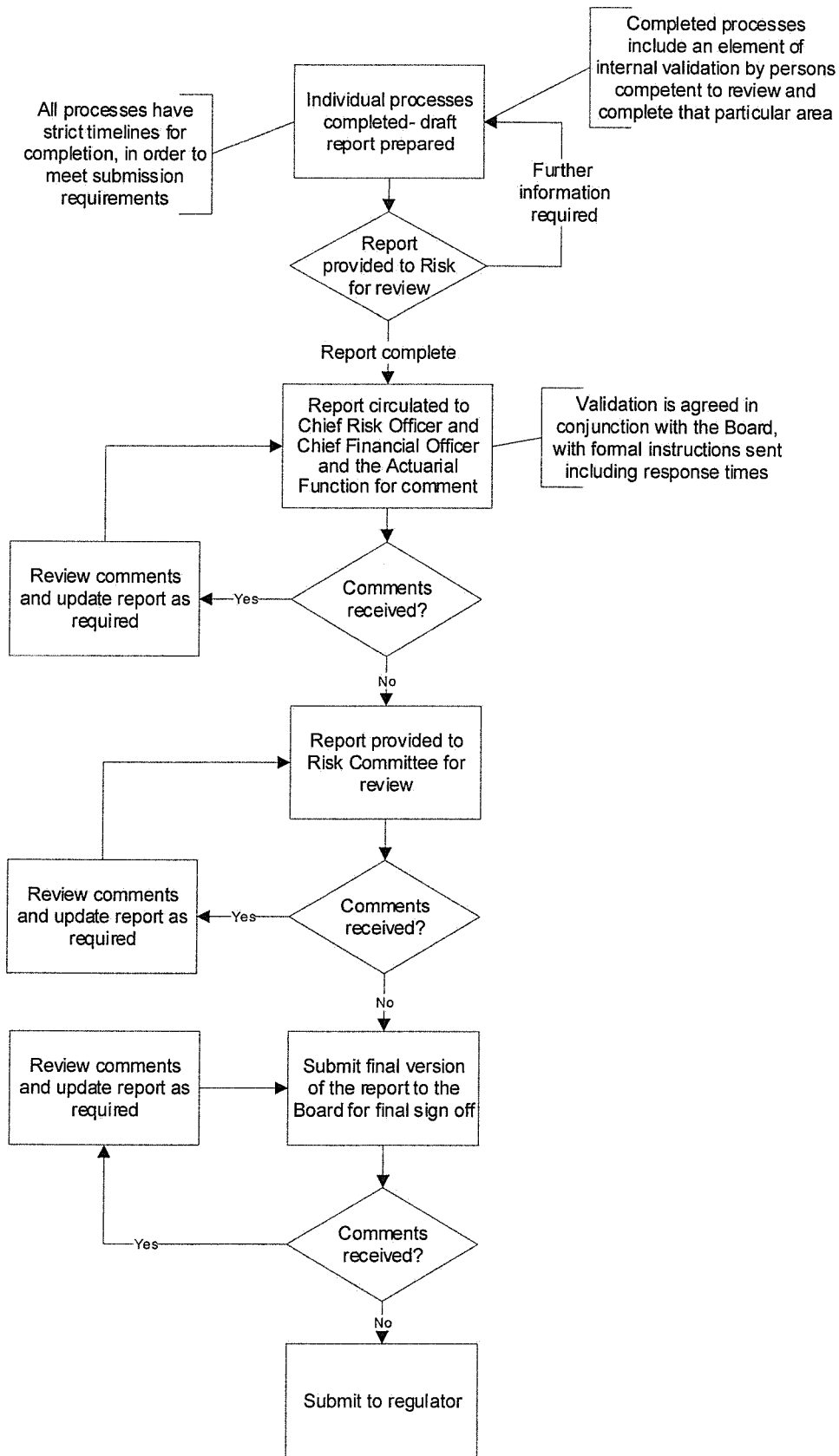
First Title evaluated its capital requirement both in relation to that required as per the standard formula and as per that indicated as a result of the ORSA, including stress and scenario testing. As a result of these measures, First Title has maintained sufficient capital to adhere to both the SCR and MCR requirements as well as maintaining an additional margin of capital to ensure compliance is continued in the event of a deterioration in claims, assets or business profitability.

[E.6 Any other information](#)

First Title can confirm that:

- there are no restrictions on the transferability of own funds within the insurer;
- that no transitional provisions are being used for calculating own funds; and
- the SCR is not subject to supervisory assessment.

Appendix A - High level process flow for the ORSA



Glossary

Basic Own Funds	Eligible own funds that generally consist of balance sheet amounts but which exclude ancillary own funds which require regulatory approval.
Best Estimate	The expected present value of future cash flows for an insurer's insurance obligations, calculated using best estimate assumptions projected over the insurance contracts' run-off period.
EIOPA	European Insurance and Occupational Pensions Authority
Eligible Own Funds	Capital available to cover the SCR and MCR, calculated on a Solvency II basis. This can include the excess of assets over liabilities on the balance sheet and subordinated liabilities.
FAFC	First American Financial Corporation, the ultimate parent company of First Title, based in the USA
FATIC	First American Title Insurance Company, a subsidiary of FAFC and the main provider of reinsurance to First Title
FCA	Financial Conduct Authority
FAFIH	FAF International Holdings GmbH, the immediate parent company of First Title, based in Switzerland
First European	First European Title Insurance Company Limited, an insurance company within the wider First American Financial Corporation group providing title insurance to European markets, based in Malta
First Title	First Title Insurance plc, a UK regulated insurer providing title insurance to the UK and European markets
IBNR	Incurred but not yet reported; reserves that are established for claim events that have materialised, but have not as yet been reported to the insurer.
Net Technical Provisions	Technical provisions calculated net of reinsurance.
NYSE	New York Stock Exchange
MCR	Minimum capital requirement: the minimum amount of capital that an insurer needs to hold to cover its risks under the Solvency II framework, failing which it is likely that the regulator will withdraw the insurer's authorisation.
ORSA	Own risk and solvency assessment, an internal process undertaken by insurers and reinsurers to assess their overall solvency needs taking into account their specific risk profile and to identify, assess, monitor, manage and report the short and long term risks faced
PRA	Prudential Regulation Authority
Risk Margin	The amount an insurance company would require, over and above the best estimate liabilities, to take over and meet the whole portfolio of insurance obligations.
SCR	Solvency capital requirement: the amount of capital the regulator requires an insurer to hold to meet the requirements of the Solvency II regulatory framework. The calculation of the SCR is designed to ensure that all quantifiable risks are taken into account with the amount established covering existing business as well as new business expected over the course of a twelve month period.
Solvency II	A European Union Directive, as adopted by the UK, setting out a single set of prudential and supervisory requirements for almost all European insurance and reinsurance companies.
Standard Formula	The methodology used by a firm to calculate its SCR as prescribed by the EIOPA. Alternatively, firms may use an internal model.
Subordinated Liabilities	Loans or security that ranks below other loans and securities, when assessing claims on an insurer's assets or earnings.
Technical Provisions	The aggregate of the best estimate liabilities plus the risk margin, representing the amount an insurance company would require to take over and meet the whole portfolio of insurance obligations.

First Title Insurance plc

Solvency and Financial Condition Report

Disclosures

31 December

2024

(Monetary amounts in GBP thousands)

General information

Entity name	First Title Insurance plc
Entity identification code and type of code	LEI/213800288SFVMP3RTW12
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 December 2024
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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IR.02.01.02 - Balance sheet

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

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

IR.17.01.02 - Non-Life Technical Provisions

IR.19.01.21 - Non-Life insurance claims

IR.23.01.01 - Own Funds

IR.25.04.21 - Solvency Capital Requirement

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

IR.02.01.02

Balance sheet

Assets

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

Solvency II value
C0010
0
46,548
0
0
0
27,421
1,109
26,312
0
0
9,497
9,631
0
0
0
1,752
1,752
0
2,270
242
4
0
5,221
56,036

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	8,605
R0510	<i>Technical provisions - non-life</i>	8,605
R0515	<i>Technical provisions - life</i>	0
R0542	Best estimate - total	7,944
R0544	<i>Best estimate - non-life</i>	7,944
R0546	<i>Best estimate - life</i>	
R0552	Risk margin - total	661
R0554	<i>Risk margin - non-life</i>	661
R0556	<i>Risk margin - life</i>	
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	231
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	1,015
R0830	Reinsurance payables	148
R0840	Payables (trade, not insurance)	
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	972
R0900	Total liabilities	10,970
R1000	Excess of assets over liabilities	45,066

IR.05.02.01

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

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Top 5 countries (by amount of gross premiums written) - non-life obligations						Total Top 5 and home country
Home Country	JE						
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business	19,735	690					20,425
R0120 Gross - Proportional reinsurance accepted							0
R0130 Gross - Non-proportional reinsurance accepted	462						462
R0140 Reinsurers' share	711	21					731
R0200 Net	19,486	669					20,155
Premiums earned							
R0210 Gross - Direct Business	19,735	690					20,425
R0220 Gross - Proportional reinsurance accepted							0
R0230 Gross - Non-proportional reinsurance accepted	462						462
R0240 Reinsurers' share	711	21					731
R0300 Net	19,486	669					20,155
Claims incurred							
R0310 Gross - Direct Business	-968	112					-855
R0320 Gross - Proportional reinsurance accepted	-11						-11
R0330 Gross - Non-proportional reinsurance accepted	275						275
R0340 Reinsurers' share	358	26					384
R0400 Net	-1,062	86					-976
R0550 Net expenses incurred	7,568	255					7,823

Non-Life Technical Provisions

	Direct business and accepted proportional reinsurance											Accepted non-proportional reinsurance				Total Non-Life obligation	
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance		Non-proportional property reinsurance
	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Best estimate																	
Premium provisions																	
R0060 Gross								0				0				0	0
R0140 Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0150 Net Best Estimate of Premium Provisions								0				0				0	0
Claims provisions																	
R0160 Gross								0				7,411				533	7,944
R0240 Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default												1,633				119	1,752
R0250 Net Best Estimate of Claims Provisions								0				5,778				414	6,191
R0260 Total best estimate - gross												7,411				533	7,944
R0270 Total best estimate - net								0				5,778				414	6,191
R0280 Risk margin												618				43	661
R0320 Technical provisions - total								0				8,029				576	8,605
R0330 Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total								0				1,633				119	1,752
R0340 Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total								0				6,396				457	6,852

IR.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year

Gross Claims Paid (non-cumulative)														
(absolute amount)														
Year	C0010	C0020	C0030	C0040	Development year					C0100	C0110	C0170	C0180	
	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)	
Prior												295	295	
R0100	38	80	191	603	505	97	53	23	18	66		66	1,674	
R0160	63	176	236	319	65	66	107	45	77		77	1,152		
R0170	31	105	109	129	117	35	23	15			15	566		
R0180	4	63	120	24	69	16	39				39	335		
R0190	5	64	44	84	73	55					55	325		
R0200	10	64	70	67	25						25	236		
R0210	29	36	9	127							127	201		
R0220	8	76	35								35	118		
R0230	33	83									83	116		
R0240	17										17	17		
R0250														
R0260												834	5,033	
	Total											834	5,033	

Gross Undiscounted Best Estimate Claims Provisions													
(absolute amount)													
Year	C0200	C0210	C0220	C0230	Development year					C0300	C0360		
	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)	
Prior												1,352	1,270
R0100	0	1,147	1,245	852	835	731	404	238	132	86		80	
R0160	1,254	1,066	918	1,067	988	530	367	391	235			212	
R0170	1,544	1,446	1,372	1,309	863	529	373	229				205	
R0180	1,703	1,643	1,609	1,304	689	464	361					327	
R0190	1,405	1,381	1,098	741	362	365						320	
R0200	1,084	1,015	790	664	371							327	
R0210	1,403	1,323	1,372	756								658	
R0220	1,741	2,151	1,233									1,052	
R0230	2,469	1,844										1,555	
R0240	2,351											1,938	
R0250													
R0260													
	Total											7,944	

IR.19.01.21.22

Gross premium

	C0570	C0580	
	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
R0160	N-9	19,479	0
R0170	N-8	18,570	0
R0180	N-7	17,021	0
R0190	N-6	20,607	0
R0200	N-5	16,614	0
R0210	N-4	10,196	0
R0220	N-3	13,274	0
R0230	N-2	17,897	0
R0240	N-1	18,388	0
R0250	N	20,886	0

IR.23.01.01

Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

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

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

R0290 Total basic own funds after deductions

Ancillary own funds

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

Available and eligible own funds

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

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

Reconciliation reserve

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

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
2,477	2,477		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
42,590	42,590			
0		0	0	0
0				0
0	0	0	0	0
0				
45,066	45,066	0	0	0
0				
0				
0				
0				
0				
0				
0				
0			0	0
45,066	45,066	0	0	0
45,066	45,066	0	0	
45,066	45,066	0	0	0
45,066	45,066	0	0	
16,356				
4,089				
275.54%				
1102.16%				
C0060				
45,066				
0				
2,477				
0				
42,590				

IR.25.04.21

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

		C0010
Market risk		
R0070	Interest rate risk	2,150
R0080	Equity risk	4,944
R0090	Property risk	0
R0100	Spread risk	1,655
R0110	Concentration risk	6,524
R0120	Currency risk	11
R0125	Other market risk	
R0130	Diversification within market risk	-5,974
R0140	Total Market risk	9,311
Counterparty default risk		
R0150	Type 1 exposures	390
R0160	Type 2 exposures	365
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-49
R0180	Total Counterparty default risk	706
Life underwriting risk		
R0190	Mortality risk	
R0200	Longevity risk	
R0210	Disability-Morbidity risk	
R0220	Life-expense risk	
R0230	Revision risk	
R0240	Lapse risk	
R0250	Life catastrophe risk	
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	
R0270	Total Life underwriting risk	0
Health underwriting risk		
R0280	Health SLT risk	
R0290	Health non SLT risk	
R0300	Health catastrophe risk	
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	
R0320	Total Health underwriting risk	0
Non-life underwriting risk		
R0330	Non-life premium and reserve risk (ex catastrophe risk)	10,316
R0340	Non-life catastrophe risk	364
R0350	Lapse risk	0
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	-267
R0370	Non-life underwriting risk	10,413
R0400	Intangible asset risk	
Operational and other risks		
R0422	Operational risk	627
R0424	Other risks	
R0430	Total Operational and other risks	627
R0432	Total before all diversification	27,346
R0434	Total before diversification between risk modules	21,057
R0436	Diversification between risk modules	-4,470
R0438	Total after diversification	16,587
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	-231
R0455	Other adjustments	
R0460	Solvency capital requirement including undisclosed capital add-on	16,356
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	Solvency capital requirement including capital add-on	16,356
R0490	Biting interest rate scenario	
R0495	Biting life lapse scenario	

IR.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

3,627

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

C0030

C0020	C0030
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
0	
5,778	19,707
0	
0	
0	
414	448

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

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

0

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

C0060

C0050	C0060

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

Overall MCR calculation

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

C0070

3,627
16,356
7,360
4,089
4,089
3,500
4,089