Astrenska Insurance Holdings Limited
and
Astrenska Insurance Limited

Single Group Solvency and Financial Condition Report (SFCR)

Financial Year 2026

Collinson Insurance

KEY ACHIEVEMENTS

Gross Written Premium increased by 19.8%. From £297.2m in FY25 to £356.0m in FY26.

- Strong Solvency Capital Requirement (SCR) Coverage Ratio of 152% (FY25 176%) against a target of 150%.
- Key distribution partner relationships extended, and material new affinity partnerships won.
- Significant underwriting and pricing experience resulting in sustainable performance and profitable growth across the key affinity insurance distribution partnerships.
- Continued investment in digitalisation to further enhance the customer experience.
- Continued investment in automation and data capabilities to support our insights strategy.
- Development and delivery of the Insurance ESG strategy in alignment with the Collinson Group's.

Our DNA

Value propositions

Design products that fulfil customers' needs and align with our strategic affinity distribution partners.

Optimal Balance Sheet

Our active risk management combined with our reinsurance partners support efficient balance sheet management and generate enhanced returns, underpinned by experienced Underwriting, Reserving and Pricing capability.

Brilliant Customer Experience

Combining seamless digital journeys with human interaction at the most critical times.

Innovation

Continued Investment in high levels of automation to deliver enhanced customer outcomes.

Table of Contents

Table of Figures

Executive Summary

This is the single Solvency and Financial Condition Report (SFCR) prepared for both Astrenska Insurance Holdings Limited (AIHL) and Astrenska Insurance Limited (AIL or the Company). AIL and AIHL (referred to collectively hereafter as "the Group" and trading as Collinson Insurance) were granted permission by the Prudential Regulation Authority (PRA) to prepare a single SFCR on 1st July 2024 and this permission remains in force until 1st January 2028.

AIHL is an insurance holding company, being the parent of the wholly owned subsidiary AIL. **AIL is the sole PRA regulated entity and the sole trading entity within the Group**. Accordingly, in producing information to meet the individual reporting requirements of the Group and AIL, separate disclosures should be provided. However, the information about the Group and AIL are materially identical in nature and content and therefore no distinction is drawn between the Group and AIL when providing group information. For simplicity, most of the references in this document are made to AIL.

All references to the Board in this document are in respect of the Board of AIL only. While there are common directors in AIHL, the systems of governance to support the AIL regulated business activities reside only in AIL.

Business and Performance

The current financial period of the Group covers the period from 1st May 2025 to 30th April 2026 (FY26). The comparative figures cover the period from incorporation on 1st May 2024 to 30th April 2025 (FY25).

Business objectives

AIL is a specialist insurer writing Travel and ancillary personal lines insurance products distributed via affinity brands, with the capability to also bring Dental and International Private medical insurance propositions to UK markets. As a diversified, niche personal lines insurer, AIL's vision is to create an insurance offer enabling the brands we partner with and trade through to protect their customers' adventures, health needs and everyday lives. This is supported by our purpose, which is 'to provide protection and peace of mind in the best interests of customers so they enjoy their travel experiences whilst looking after their health and personal possessions.'

The macroeconomic and geopolitical environment remains subject to significant uncertainty. Key factors influencing the UK's economic outlook include geopolitical tensions in Eastern Europe and the Middle East, evolving global trade policies, cybersecurity risks and broader economic policy uncertainty. Whilst the UK economy is expected to continue growing, growth is forecast to remain modest and subject to downside risks from domestic and international developments. The fiscal environment remains constrained by elevated public debt levels and the Government's commitment to fiscal sustainability, whilst weak productivity growth continues to affect the UK's longer-term economic outlook.
Despite the uncertainty in the UK and abroad, AIL has managed to achieve profitable growth. This positive result has been delivered principally via our affinity distribution partners, whom we operate with through long-term contractual arrangements. AIL continues to be well placed to support this increase in business activity given its strong underwriting, pricing, claims handling and assistance capabilities. However, monitoring of AIL's external environment going forward will remain critical to achieve its strategic objectives.

AIL's insurance product offering is entirely consistent with Collinson's wider travel ecosystem strategy. It focuses not only on developing insurance products and services to meet the needs of customers, providing valuable protection and assistance products and services, but also on building long term relationships with clients to maximise the brand experience of their customers.

Continued growth along with a focus on containing costs and good underwriting discipline has resulted in improved financial performance. The portfolio is projected to continue to grow as a result of:

- Continuing to seek new affinity distribution partners for Travel insurance.
- Continuing to seek further new clients consistent with underwriting appetite across specialist and ancillary personal lines insurance products as well as where relevant and aligned with our model, adjacent Accident and Health products.

Systems of Governance

AIL maintains a robust system of governance which is commensurate with the nature, scale and complexity of its activities and risk profile. AIL's Board ("The Board") provides strategic leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. The Board believes that a strong system of governance is essential to ensure that the business runs smoothly, aids effective decision making and support the achievement of the agreed objectives.

The Board is responsible for promoting the long-term success of AIL for the benefit of its shareholders, its staff, its clients, and its customers. It is responsible for setting the strategic aims and risk appetite, and to ensure the business is adequately resourced, managed and controlled as part of an effective system of governance. The Board also sets the values and supports the culture.

AIHL has an oversight role, not operating directly, respecting AIL's independence while ensuring it operates within agreed strategic and risk boundaries with common Directors across both entities. This allows for more timely decision making between parent and subsidiary, with shared governance ensuring Group strategy is consistent and risks are viewed holistically.

To assist the Board in effectively discharging its duties, it has delegated certain responsibilities to several committees which report regularly to it. The roles of the committees are outlined in Section B. The Board retains ultimate responsibility for the systems of internal control and risk management and their effectiveness. AIL has implemented the 'three lines of defence' model and provides a formal and robust structure to enable risks to be identified, assessed, controlled, mitigated, reported, and monitored.

Risk Profile

The acceptance of risk is fundamental to AIL and AIHL and is a core element of the overall strategic objectives of the Group as an insurance undertaking. As AIL is the sole PRA-regulated trading entity within the Group, the risk profile of AIL and the Group is the same.

Each of the elements of the Risk Management Framework (see Section C) contribute to the identification, measurement, monitoring, management and reporting of risks and is intended to work as an integrated system, and therefore each should be considered both in terms of the specific function of the respective element, and in terms of its function within the overall system. Each element of the system is embedded effectively within AIL and managed by the Risk Management Function with appropriate oversight from the Risk and Compliance Committee and the Board.

AIL's main risk is in respect of the business of writing insurance as this is the principal activity. The risk under any one insurance contract is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims and actual benefits paid. Therefore, the objective of AIL is to ensure that sufficient reserves are available to cover these liabilities.

Other risks relate to counterparty default risk in relation to insurance and reinsurance receivables and short-term investments, market risk in relation to liquidity risk and asset-liability management (ALM), operational and compliance risks.

Valuation for Solvency Purposes

AIL and AIHL value all assets and liabilities at fair value within the balance sheet. Fair value is the value at which knowledgeable and willing parties could exchange assets and liabilities in an arm's length transaction. Fair value is best demonstrated by reference to quoted market prices. AIL and AIHL each prepare individual financial statements in accordance with UK Generally Accepted Accounting Practice (GAAP). AIHL does not publish consolidated group financial statements.

Section D includes an analysis of the balance sheet movements between the valuation under UK GAAP for the financial statements and the valuations across:

- Assets.
- Liabilities.
- Technical Provisions (TP's).

The Board believes that the Information in Section D represents a basis of valuation which is compliant with PRA requirements.

Capital Management

AIL and AIHL have used the standard formula method to calculate the Solvency Capital Requirement (SCR). Section E provides further information on the capital management of AIHL and AIL. The capital coverage ratio (being the ratio of eligible own funds to the SCR) for AIHL/AIL as of 30th April 2026 was 152% (FY25: 176%). The Minimum Capital Requirement (MCR) coverage Ratio for AIHL/AIL is 337% (FY25: 391%).

The movement in the capital coverage ratio throughout the last financial year can be explained as follows:

- Non-Life and Health Underwriting risk has increased by £12.1m on a standalone basis. This increase is mainly driven by higher projected business volumes and a reduction in quota share reinsurance cover which have contributed to premium and reserve risk. Furthermore, the Health Catastrophe risk (i.e. Mass Accident) has been recalibrated for FY26. The Health Catastrophe risk has increased by c.£200k due to the higher premium of other Personal Accident products. Additionally, there has been an increase in lapse risk due to higher expected profits in uncollected premiums.
- Market risk has increased by £894k primarily driven by the interest rate risk charge of c.£1.43m compared to c.£0.52m in FY25. This is due to the implementation of the investment strategy of AIL, together with higher premium asset, asset under management (AUM) and yield environment.
- AIL's assets and liabilities are valued on a Solvency II basis, resulting in a deferred tax liability of £2.3m. In line with Solvency II requirements, a Loss-Absorbing Capacity of Deferred Taxes (LACDT) adjustment of £2.3m has been recognised within the SCR calculation. This reflects the extent to which losses arising under the 1-in-200-year stress scenario would reduce future tax liabilities, thereby absorbing a portion of the stressed losses and reducing AIL's Solvency Capital Requirement (SCR).
- Operational risk increased by £2.7m, broadly in line with the increase in the Basic SCR. The Operational Risk charge remains capped at 30% of the Basic SCR in accordance with Solvency II requirements.
- The overall impact to the SCR is an increase of £11.1m.
- The Eligible Own Funds have increased by £11.5m over the financial year due to profit on the retained earned premium, investment returns and a capital injection of £4m.

AIL's approach to capital management focuses on ensuring there is sufficient capital and reserves to honour its commitments to its customers, to maintain financial strength to support new business growth and to retain financial flexibility by maintaining strong liquidity and access to a range of capital markets.

A. Business and Performance

A.1 Business

A.1.1 Name and legal form

Astrenska Insurance Holdings Limited (AIHL) is a limited company incorporated and domiciled in England – Company Registration No: 10330418. AIHL is an insurance holding company that wholly owns Astrenska Insurance Limited (AIL) – Company Registration No: 01708613, a UK general insurance company. The registered address of AIHL and AIL is:

3 More London Riverside
London
SE1 2RE

A.1.2 Supervisory authority details

AIHL is an insurance holding company for which Group supervision has been agreed with the Prudential Regulatory Authority (PRA) while AIL is jointly regulated by the PRA and Financial Conduct Authority (FCA).

Prudential Regulatory Authority
20 Moorgate,
London,
EC2R 6DA
+44 (0)20 7601 4444

Financial Conduct Authority
12 Endeavour Square,
London,
E20 1JN
+44 (0)20 7066 1000

A.1.3 External Auditor

The external auditor of AIL is:
Ernst and Young LLP,
25 Churchill Place,
London
E14 5EY.

AIHL does not engage an external auditor, as its published financial statements are unaudited.

A.1.4 Regulatory waivers

AIL has been granted several waivers, as shown in the table below:

Waivers/Modifications	Area	Solvency II Rule(s)	Description	Expiry Date
A00008240P.pdf	Group Supervision	18.1	Single Group SFCR Approval.	1 January 2028
A00009687P.pdf	Group Supervision & Reporting	17.3; 2.2(1)	Group quarterly modification by consent for supervisory reporting to only provide quarterly reporting at Q2 and only to report certain specified templates.	29 March 2027

A00009690P.pdf	Reporting	2.2(1), 2.5A, 2.5B	Solo quarterly modification by consent for supervisory reporting to only provide quarterly reporting at Q2 and only to report certain specified templates.	No fixed expiry
A00011121P.pdf	Group Supervision	17.2	Single group ORSA approval.	15 October 2030

A.1.5 Group structure and ownership

AIHL sits within the Insurance Division of The Collinson Group Limited as a direct subsidiary of Collinson Insurance Holdings Limited (CIHL). The diagram below summarises the operating entities within the Insurance Division. It should be noted that a separate SFCR is prepared for Collinson Holdings Europe Limited and its direct subsidiaries.

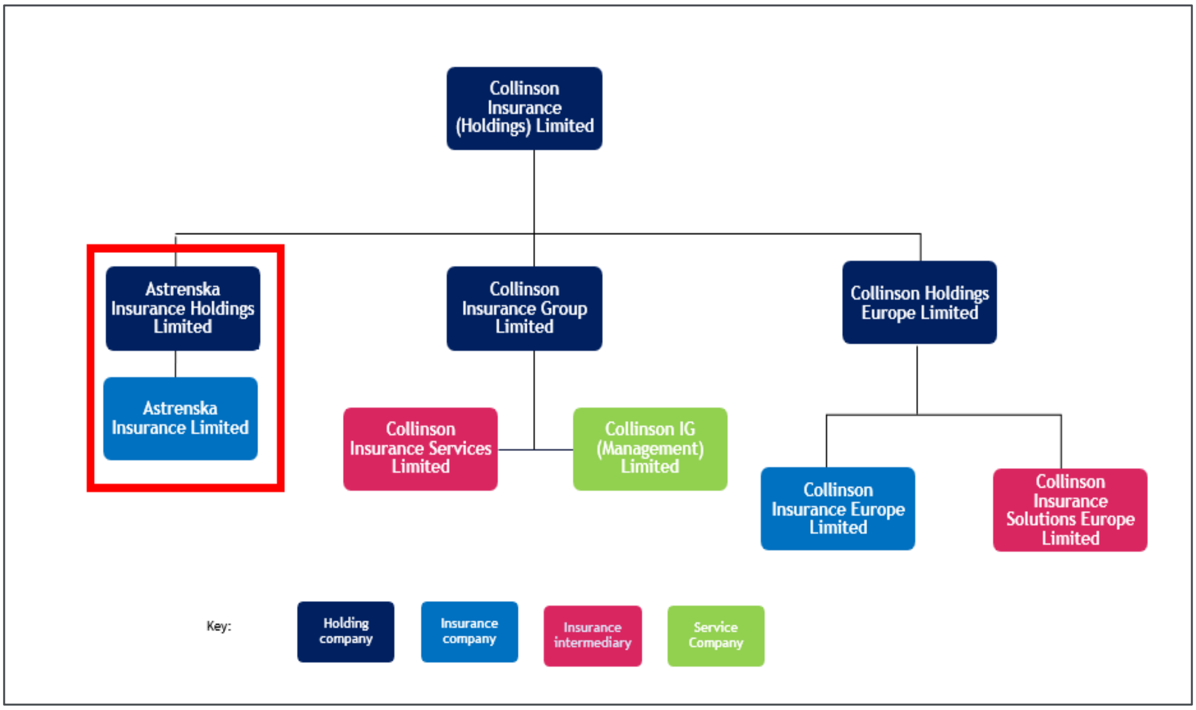

Figure 1 Collinson Insurance structure

The ultimate holding company of AIHL and AIL is Parminder Limited, a company incorporated in the Isle of Man. The ultimate controlling parties identified by the Directors are the Trustees of the Colin Evans 1987 Settlement, the Settlement is established under the laws of Guernsey, the beneficiaries of which are the issue of Mr C R Evans.

The table below summarises all controlling entities between Parminder Limited and Collinson Insurance (Holdings) Limited.

Entity Name	Location	%age shareholding
Parminder Limited ↓	Isle of Man	100%
Parminder Investments Limited ↓	England & Wales	100%

Collinson Group Holdings Limited ↓	England & Wales	100%
The Collinson Group Limited ↓	England & Wales	100%
Collinson Insurance (Holdings) Limited	England & Wales	100%

The consolidated Solvency II "Group" is comprised of two legal entities: Astrenska Insurance Holdings Limited and Astrenska Insurance Limited. AIHL is an insurance holding company, being the parent of the wholly owned subsidiary AIL.

AIL is the sole PRA regulated entity and the sole trading entity within the UK Solvency II Group. Accordingly, in producing information to meet the individual reporting requirements of the Group and the Group's Solo entity, separate disclosures should be provided for the Group and AIL. However, given that the difference in capital held in AIL and AIHL is immaterial, information about the Group and Solo subsidiary is identical in nature and content and no distinction is drawn between Group and the Solo subsidiary, when providing group information, although unless stated differently all financial data presented will be AIL's position.

A.1.6 Business Mix

- **Assistance -** This line of business (LoB) includes Motor Breakdown Assistance and non-medical elements of Travel Insurance products.
- **Fire and Other Damage to Property -** This LoB includes Property Ancillary, Mobile, Gadget and Cycle Insurance products.
- **Income Protection -** This line of business (LoB) includes Personal Accident and Short-Term Income Protection products.
- **Other Motor -** This LoB includes Car Key Cover, Motor Excess, Motor Collision Damage Waiver and helmet motorcycle cover.
- **Marine, Aviation and Transportation Insurance**
- **Medical Expense Insurance -** This LoB includes International Health and medical elements of Travel Insurance products.
- **Miscellaneous Financial Loss -** This LoB includes Ticket Cancellation, Teacher Absence and Home Appliance Warranty Insurance products.

A.2 Underwriting Performance

A.2.1 Technical Performance

Travel insurance remains at the core of what we do, and we work closely with our key distribution partners to provide insurance to deliver on their brand promise, acting in the best interests of customers. The Company maintains its focus on technical pricing and underwriting disciplines, working more closely with key trading partners to deliver profitable growth as well as investing in claims and assistance capabilities.

The Company also continues to significantly expand its Multi Lines specialist portfolio. This growth has been delivered principally via affinity distribution partners by broadening the set of products and services we offer. We operate through long term contractual arrangements, and this creates further diversification over a wider range of products outside travel insurance. We also work closely with carefully selected, strategic third-party administrators to ensure we have the appropriate skills to service the range of products we now underwrite.

Table 1 shows the summarised Statement of Comprehensive Income for AIL including premiums, claims and expenses for the year ended 30th April 2026.

Summarised Statement of Comprehensive Income	FY26 £'000	FY25 £'000	Variance £'000
Gross premiums written	356,004	297,186	58,818
Total technical income	166,622	97,432	69,190
Claims incurred, net of reinsurance	61,987	35,595	26,392
Underwriting result	104,635	61,837	42,798
Underwriting loss ratio	37%	37%	0%
Net operating expenses	101,311	59,931	41,380
Net operating expense ratio	61%	62%	(1%)
Balance on technical account for general business	3,324	1,906	1,418
Profit for the financial year	**5,663**	**4,289**	**1,374**

Table 1 Summarised Statement of Comprehensive Income for AIL

AIL's underwriting result for FY26 is £104,635k (FY25: £61,837k) while net operating expenses increased to £101,311k (FY25: £59,931k). Net Operating Expenses are driven by the outsourcing arrangement with another Group company. The Board and management are pleased to see another profitable year in FY26, with a profit of £5,663k (FY25: £4,289k).

A.2.2 Performance by LoB

Table 2 shows the underwriting performance for AIL by product/solvency class for the year-ending 30th April 2026.

Underwriting Performance	Medical expense insurance	Income protection insurance	Other motor insurance	Fire and other damage to property insurance	Assistance	Marine, aviation and transport	Miscellaneous financial loss	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Written Premium	111,023	23,323	85,109	39,829	79,993	24	16,703	356,004
Gross earned Premium	105,658	22,832	81,745	39,644	75,930	31	16,057	341,897
Reinsurers Share	48,790	10,734	54,868	16,951	34,287	28	9,617	175,275
Net Earned Premium	**56,868**	**12,098**	**26,877**	**22,693**	**41,643**	**3**	**6,440**	**166,622**
Gross Claims	46,608	4,592	11,272	10,662	34,145	12	5,185	112,476
Reinsurers share	20,507	2,394	5,387	4,248	14,820	11	3,122	50,489
Net Claims	26,101	2,198	5,885	6,414	19,325	1	2,063	61,987
Expenses Incurred	29,365	9,788	20,689	15,953	21,270	2	4,244	101,311
Balance on technical account for general business	**1,402**	**112**	**303**	**326**	**1,048**	**0**	**133**	**3,324**

Table 2 Underwriting performance by LoB

A.2.3 Geographical Underwriting Locations

AIL writes most of its business in the United Kingdom. AIL provides a flight delay parametric insurance product through an affinity arrangement in the USA where it accepts business under a quota share arrangement working with a local insurer. AIL also works with a local insurer to accept reinsurance for the provision of travel insurance in Switzerland.

Geographical Underwriting Locations	FY26	FY25
	£000s	£000s
United Kingdom	354,001	295,851
Switzerland	1,102	1,335
United States of America	901	0
Total	356,004	297,186

Table 3 Underwriting locations (the figures analysed are gross written premiums)

A.3 Investment Performance

During FY26, AIL continued to implement its investment strategy, reducing its allocation to money market instruments from 66% to 47%. New investment assets included an Absolute Return Government Bond Fund (ARGBF), a short-duration emerging market corporate bond fund, and a short-dated enhanced income fund. FY26 was characterised by heightened geopolitical risk, to which AIL responded through temporary tactical repositioning. This mainly involved reallocating credit assets to the ARGBF and maintaining an overweight position in money market funds.
The portfolio delivered a total investment return of £4.3m, representing an improvement of £0.4m compared with the prior year. Of this return, £1.9m was generated from money market instruments, while £2.4m was attributable to the fixed income portfolio. Overall, the portfolio maintained a strong risk-adjusted return profile while preserving liquidity and safeguarding capital. All investments were made in accordance with the Prudent Person Principle.

A.4 Performance of other activities

There are no material other activities to note in the reporting period.

A.5 Any Other information

A.5.1 Macroeconomic and Geopolitical Environment

The macroeconomic and geopolitical environment in the United Kingdom remains uncertain, with modest economic growth prospects, inflationary pressures and elevated geopolitical risks continuing to shape the operating environment for insurers. Current external forecasts point to subdued UK economic growth during 2026, with the OBR forecasting GDP growth of around 1.1%, while the IMF projects UK real GDP growth of approximately 0.8%. Inflation remains above the Bank of England's 2% target, with CPI inflation reported at 2.8% in May 2026 and external forecasts indicating that inflation may remain sensitive to energy, food and supply-chain developments.

Interest rates remain higher than the levels experienced before the recent inflationary cycle, although the Bank of England has reduced rates from their peak. As of 18 June 2026, Bank Rate was 3.75%, with the Monetary Policy Committee noting continued uncertainty around the inflation outlook, particularly considering energy-price volatility and wider global developments.

The UK labour market has shown signs of cooling, with higher unemployment and subdued business sentiment contributing to a weaker near-term growth outlook. Public finances also remain constrained, with public sector net borrowing for the financial year ending March 2026 estimated at £132.0 billion, equivalent to 4.3% of GDP, and public sector net debt remaining elevated at 93.8% of GDP. Key geopolitical factors influencing the UK outlook include:

- **Ongoing global conflict and energy-market volatility:** tensions in Eastern Europe and the Middle East continue to create uncertainty around energy prices, shipping routes, supply chains and wider inflationary pressures. The Bank of England has highlighted that developments in the Middle East could materially affect inflation through energy and food prices.

- **UK-EU trade and regulatory developments:** the UK continues to operate within a post-Brexit trading environment, with the 2026 review of the UK–EU Trade and Cooperation Agreement and the wider UK–EU reset creating both opportunities and uncertainty. Regulatory divergence and the practical impact of cross-border trade arrangements remain relevant considerations for UK businesses.
- **Cyber, technology and supply-chain risk:** geopolitical tensions, increasing digitisation and the growing use of artificial intelligence continue to heighten cyber and operational resilience risks. These risks may affect third-party providers, distribution partners, payment infrastructure and customer-facing services.

Depending on how these risks evolve, there could be direct and indirect implications for AIL, including higher claims costs, increased supplier or operational costs, reduced new business volumes, changes in customer behaviour, increased lapse risk at renewal, and potential disruption to key outsourced services or distribution arrangements. However, AIL continues to monitor these risks through its risk management framework, including stress and scenario testing undertaken as part of the ORSA process. This includes consideration of macroeconomic shocks, inflationary pressures, exchange-rate movements and a defined range of severe but plausible scenarios. Based on the outcomes of this analysis, AIL remains resilient to the stresses considered and continues to maintain sufficient capital resources to meet its regulatory capital requirements.

During 2026, the United Kingdom underwent a change in political leadership, with Andy Burnham succeeding Sir Keir Starmer as Prime Minister following a Labour Party leadership transition.

Political transitions may result in changes to economic, fiscal and regulatory priorities; however, at the date of this report, AIL has not identified any direct impact on its business model, solvency position, governance framework or regulatory obligations. AIL will continue to monitor developments as part of its assessment of emerging and external risks.

B. System of Governance

B.1 General Information on the Group's System of Governance

All references to the Board in this document are in respect of the Board of AIL only. While there are common directors in AIHL, the systems of governance to support the AIL regulated business activities reside only in AIL. This is in line with the fact AIHL's role is one of oversight only.

The system of governance structure has not changed during the financial year. The governance structure includes Committees that oversee specific risk areas, ensuring that risks are tackled with expertise and precision. The Committees are supported by Working Groups that contribute to an integrated approach by pooling insights and recommendations to enhance AIL control environment.

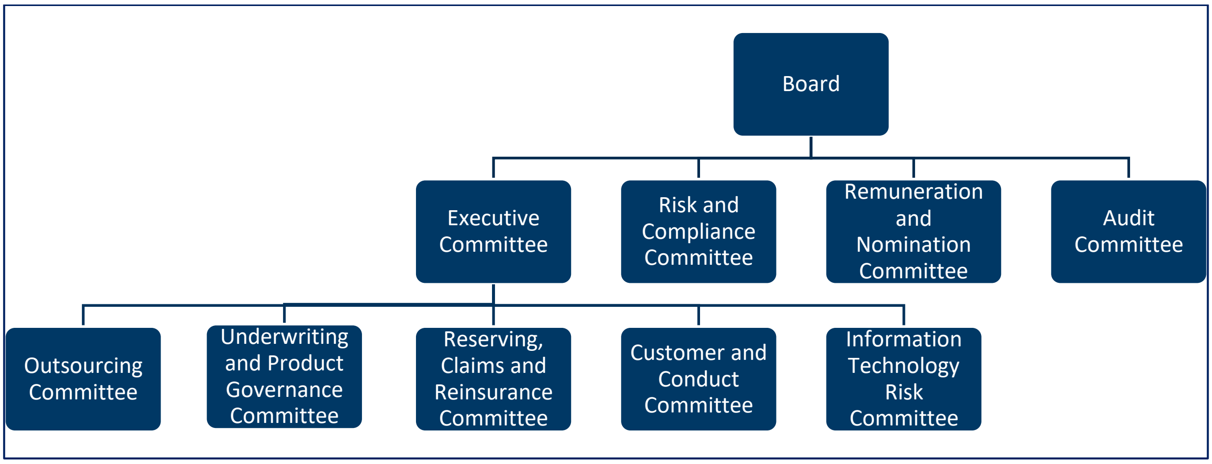

Figure 2 AIL's Governance structure.

The members of the AIL Board are two Independent Non-Executive Directors, a Non-Executive Director representing shareholder interests, Chief Executive Officer for Insurance and Finance Director. Figure 3 depicts their individual roles and attendance of the Board and Board Sub-Committees.

Name	Role	Board	Risk & Compliance Committee	Audit Committee	Remuneration & Nomination
Stuart Purdy	Independent NED	**Chair**	✓	✓	**Chair**
Jeff Herdman	Independent NED	✓	**Chair**	**Chair**	
David Evans	NED	✓			✓
Lawrence Watts	CEO	✓	✓	✓	
Paul Escott	Finance Director	✓	✓	✓	

Figure 3 Roles and attendance of the Board and Board Sub-Committees.

B.1.1 Board of Directors (BoD)

The BoD is adequately sized and has the required experience and expertise to supervise the operations of AIL. The structure of the Board of Directors is intended to ensure that:

- It can adequately discharge its responsibilities and duties whilst managing any innate conflict of interest.
- It has a proper understanding of, and competencies to deal with, the current and emerging issues of the business.
- It can effectively review and assess the performance of its outsourced arrangements.

The BoD **duties and responsibilities** include:

- Set strategy, objectives, policies and direction of AIL, discuss strategic development initiatives and ensure approved initiatives are implemented in an effective and controlled manner.
- Set the strategic business targets, return on capital/ investment expectations and Risk Appetite measures for AIL and monitor compliance by regular reporting of performance against those measures.
- Review any investments that may be required in the context of AIL's business plan.
- Receive and review The Collinson Group (TCG) decisions on cost allocations and any other activities that could impact the Company for which the Company is reliant upon Collinson Group.
- Where required under the agreed governance framework, escalate matters to The Collinson Group Limited, including matters with material financial, capital, reputational or group-wide implications.
- Receive and review recommendations relating to corporate insurance arrangements, including cyber and other relevant group insurance arrangements.
- Provide strategic oversight of data protection risks as part of the wider risk and compliance framework, including receiving reports on material data protection breaches, security incidents, emerging risk themes and related remediation activity escalated by the Risk & Compliance Committee.
- Receive recommendations, reports and escalations from Board Committees and consider matters requiring Board approval, direction or oversight is required.
- Ensure that AIL is compliant with applicable regulations by review of reports from the Legal and Compliance Function.
- Ensure that the internal control environment is effective by review of reports from the Risk & Compliance Committee and the Risk Management Function regarding performance of key risks and controls.
- Ensure that the interests of clients and customers are considered in decision making ensuring customers are treated fairly and that conduct risk issues are appropriately addressed and embedded within the culture of the business.
- Ensure that AIL Consumer Duty obligations are regularly included in all relevant discussions, with the delivery of good customer outcomes at the heart of the firms' strategy and business objectives.
- Ongoing assessments using appropriate data and insight to ensure AIL is delivering good outcomes for its customers which are consistent with the Consumer Duty principles.
- Monitor the performance of AIL including agreed key performance indicators relating to financial and non-financial measures including staffing issues.
- Review and monitor AIL's performance against the business plan.
- Manage the Delegated Authority / sub-Agency Framework.
- To consider the strategic alignment of key clients and partners including business development, relationship management, risks and issues.

The following matters are items reserved for approval by the Board:

- Determine and approve the three-year strategic plan and capital plan, approval of any changes to strategy and approval of any business opportunities outside of the agreed strategy.
- Assess and approve the annual business plan and capital plan including financial performance budgets and identify the key performance indicators required to monitor progress.
- Assess and approve the authority limits such as underwriting, claims, reinsurance and financial approval.
- Approval of Risk Management Framework and Risk Appetite Statements.
- Approval of the regulatory reports including the Own Risk and Solvency Assessment (ORSA) and the Solvency & Financial Condition Report (SFCR).
- Approval of the Annual Financial Statements, report and accounts and any material changes to accounting policy.
- Approval of material changes to the Underwriting Strategy.
- Approval of the Reinsurance Strategy.
- Approval of material contracts between £5m-50m of Net Operating Income (NoI) and expenditure between £3-5m per annum.
- Appointment of professional advisors including Auditors, Bankers and legal advisors.
- Appointment of Directors.
- Approval of Board Policies.

B.1.2 Remuneration and Nomination Committee

The role of the Committee is to ensure that there is a rigorous and transparent procedure for new appointments to the Board, and to assist the Board in ensuring their composition is regularly reviewed and refreshed so that it is effective and able to operate in the best interests of shareholders.

The Committee's duties and responsibilities include:

- The Committee shall determine and agree with the Board the policy for the remuneration of AIL's Chief Executive, the Executive Directors, and compensation payments. The remuneration of non-executive directors shall be a matter for the Board or the shareholders. No individual shall be involved in any decisions as to their own remuneration.
- The Committee shall also recommend and monitor the level and structure of remuneration for other members of Exco or individuals holding senior management positions from time to time.
- The Committee shall approve the design of, and determine targets for, any performance related pay schemes operated by AIL and approve the total annual payments made under such schemes.
- Review the structure, size and composition (including the skills, experience, independence, knowledge and diversity) of the Board and make recommendations to the Board regarding any changes that are deemed necessary.
- Monitor the leadership needs of AIL, both executive and non-executive, with a view to ensuring the continued ability of AIL to compete effectively in the marketplace.
- Prior to Board appointment, evaluate the balance of skills, experience, independence, knowledge and diversity on the board, prepare a description of the role and capabilities required, and be responsible for identifying and nominating candidates from a wide range of backgrounds.
- Consider any training requirements for the Board as a whole to ensure that directors are fully informed about the strategic and commercial issues affecting AIL and the markets in which it operates, as well as their duties and responsibilities as a director.

B.1.3 Audit Committee

The Audit Committee is responsible for assisting the Board with discharging its responsibilities for monitoring the integrity of AIL's financial statements and the effectiveness of the systems of internal controls and to monitor the effectiveness, performance and objectivity of the statutory auditors and the Internal Audit function.

The Audit Committee has the following **duties and responsibilities**:

- Oversee the process for the appointment, selection and re-election of the statutory Auditors and monitor the independence and objectivity of the statutory auditors including review and approval of any non-audit services of the firm.
- Monitor the performance and effectiveness of the statutory audit process and review the observations and recommendations of the statutory auditors.
- Report to the Board on the outcome of the statutory audit including how the statutory audit contributed to the integrity of financial reporting and the role of the Committee in that process. The Committee shall promptly escalate to the Board any significant concerns relating to financial reporting integrity, audit independence, or control weaknesses requiring Board attention.
- Review and challenge the actions and judgements of management in relation to the AIL's financial performance or financial statements.
- Review the Annual financial report and accounts to ensure integrity of the financial statements regarding consistency, accounting for unusual or significant transactions, use of appropriate standards, policies and estimation techniques, related party transactions and adequacy of disclosures.
- Make recommendation to the Board for approval of the financial statements ensuring they reflect a true, fair and accurate view of the financial position of AIL.
- Monitor the financial reporting process and submit recommendations or proposals to ensure its integrity.
- Ensure the timely production and filing of the Annual Financial Statements.
- Review and approve the internal audit plan and monitor the effectiveness of the internal audit function, ensuring it has adequate resources and standing within AIL.
- Consider the observations and recommendations of the internal audit function and monitor progress of the internal audit plan and actions.
- Review and assess the adequacy and effectiveness of the systems for internal control including financial reporting and controls.

B.1.4 Risk and Compliance Committee (RCC)

The RCC is responsible for assisting the Board in its oversight of risk, agreeing AIL's appetite for risk and reviewing the effectiveness of the risk management framework and compliance with regulatory obligations. Providing oversight and advice to the Board in relation to capital management ensuring sufficient capital is available to meet current and future requirements in an efficient manner consistent with Board approved Risk Appetite.

The **duties and responsibilities** of the RCC include the following:

Risk Management Framework

- To approve the Risk Management Strategy and the Risk Management Framework.
- Review and monitor the effectiveness of the Risk Management Framework and Risk Management Function to ensure all material risks have been identified and assessed.
- Develop and maintain a clearly defined risk management strategy consistent with the overall business strategy that sets Risk Appetite and tolerance.
- Review and monitor key risks including effectiveness of controls and action plans.
- To receive deep dives relating to key areas of risk to monitor effectiveness of controls and internal practices
- Review and monitor emerging risks and horizon scanning.
- To approve risk management related policies.

Risk Appetite and Limits

- To approve the Risk Appetite Framework and the Risk Appetite Statement including related limits and triggers that comprise their Board Risk Measures.
- To receive regular reports on the RAG status of risk metrics within the Risk Appetite Statement.

- To oversee management's implementation of the Risk Management Framework and the embedding of risk appetite and culture within the Insurer, including management's response to breaches of risk appetite (as defined in the Risk Appetite Statement and Framework).

Prudential Risk Management

- Receive quarterly analysis of current and future capital requirements and funds available to cover these requirements in line with risk appetite metrics.
- To consider the methodology and processes used to determine the economic and capital requirements including forward looking requirements, ensuring the correct assumptions and potential impact of risks have been taken into consideration in determining capital requirements.
- Review adherence with risk appetites for investments and concentration limits for counterparties; aged debt and underwriting risk to maximise regulatory capital efficiency.
- To receive reports to explain the rationale for stress and scenario testing undertaken, including the impact of crystallisation of identified risks and threats. To consider the level of risk mitigation in place.
- Review and approve the company's Own Risk and Solvency Assessments including Own Funds requirements and stress and scenario tests.
- Review and approve the company's Solvency and Financial Condition Report (SFCR) including QRTs.
- Review and approve the Solvent Exit Plan in line with regulatory expectations.
- To consider and recommend to the Board for approval material regulatory submissions and returns following Executive review.

Risk Operating Model

- To review the operating model, adequacy and effectiveness of resource within the Risk Management function, its access to information and its independence from Executive management.
- To review and monitor the effectiveness of the Risk and Compliance Functions.
- To review and monitor the effectiveness of the Key Function Holders.

Senior Manager Regime

- The Committee will consider, and recommend to the Board for approval, any material changes to the Insurer's Senior Manager Regime Responsibilities Map.

Regulatory Compliance

- To have oversight of the Compliance activity within the Company
- To monitor upstream regulatory change and provide oversight of the Insurer's readiness for implementing regulatory change.
- To monitor the relationship with the Financial Conduct Authority and the Prudential Regulation Authority and other relevant regulatory bodies.
- Approve the Compliance policy, Compliance oversight plan & framework, and monitor compliance assurance activity including reviews of internal processes and procedures and reviews of third-party agents.
- Approve regulatory change programmes including resource requirements.
- Review relevant regulatory returns and reports, correspondence and relationships with the regulators.
- Review significant incidents and breaches including impact and remedial action.

Data Protection

- The Committee shall receive and review reports of any actual or suspected data protection breaches, security incidents, or near misses with potential regulatory, reputational, or operational impact. Where appropriate, the Committee will escalate material incidents to the Board, particularly those requiring regulatory notification or presenting a significant risk to the business, clients, or individuals.

Models

- The Committee will review the processes that control and validate the use of models.

B.1.5 Executive Committee

The Executive Committee (Exco) manages AIL's day-to-day operations and implements the strategy, objectives and budgets approved by the Board within its risk appetite. It supports the Board by overseeing performance, risk, controls, regulatory compliance, customer outcomes, operational resilience, change and people matters, and by reviewing significant strategic, operational and governance matters for escalation to the Board or relevant committees.

Duties and Responsibilities

- Responsible for the **day-to-day management** of the Company.
- Determines the **business plans, objectives and budgets** required to deliver the strategy within the **risk appetite** set by the Board.
- Implements the Company's **business strategy and operational plans**.
- Supports the Board in the discharge of its duties.
- Identifies **risks and opportunities** and helps maintain a **resilient operational infrastructure**.
- Embeds the Company's **culture, values and standards**.
- Oversees a **sound system of internal control**, including management systems, organisational structures, processes, policies and behaviours.
- Manages **external stakeholder relationships** and **regulatory relationships and reporting**.
- Reviews **compliance monitoring plans**, **internal audit plans**, reports and action closure.

In carrying out its role, the Executive Committee also:

- Oversees **business performance**, financial forecasts, variances against plan and key risks to delivery.
- Reviews **product performance, pricing assumptions, underwriting performance** and planned developments.
- Assesses **business development opportunities** to support profitable growth.
- Monitors **risk exposures**, regulatory developments and compliance with applicable requirements.
- Reviews **customer outcomes**, complaints trends, satisfaction and engagement metrics.
- Oversees **IT and operational performance**, including cyber security, data privacy, resilience, outsourcing and business continuity.
- Monitors the **change portfolio** and significant project delivery.
- Reviews **people, culture, diversity, performance and succession planning**.
- Reviews progress on **environmental, social and governance (ESG)** matters.
- Reviews and approves policies and procedures for the effective control and supervision of the Company.

The ExCo has the following sub-committees: (1) Outsourcing and Third-Party Management, (2) Underwriting and Product Governance, (3) Reserving, Claims and Reinsurance, (4) Customer & Conduct and (5) Information Technology Risk.

B.1.6 Key Function Holders

In line with PRA/FCA regulatory requirements, AIL have allocated the key functions as displayed in table 4.

Individual	AIL Role Title	SMF Held	Key Function
Mariana Ortiz-Joffre	Chief Risk Officer	SMF4	Risk Function Holder
Isabel Cutajar	Head of Internal Audit	SMF5	Internal Audit Function Holder
Phil Leadbeater	Head of Compliance	SMF16	Compliance Function Holder
David Trefusis	Chief Actuary	SMF20	Actuarial Function Holder

Table 4 Key function holder

In addition, senior management functions have been allocated as displayed in table 5.

Individual	AIL Role Title	SMF Held	SMF Description
Stuart Purdy	Independent NED	SMF9 SMF12	Chair of governing body Chair of Remuneration Committee
Jeff Herdman	Independent NED	SMF10 SMF11	Chair of Risk Committee Chair of Audit Committee
David Evans	NED	SMF7	Group entity senior manager
Lawrence Watts	CEO Head of Accident and Health	SMF1	Chief Executive
Paul Escott	Finance Director	SMF2 SMF3	Chief Finance Officer Executive Director
Nicky Hunt	People & Culture Senior Business Partner	SMF7	Group entity senior manager
Greg Lawson	Head of Travel	SMF18	Other overall responsibility
Lawrence Naested	Chief Technology Officer	SMF18	Other overall responsibility
Robert Spindloe	Claims Director	SMF18	Other overall responsibility
Simon Jones	Head of Multi-lines	SMF18	Other overall responsibility
Wayne Price	Chief Operating Officer	Pending	Chief Operating Officer

Table 5 Senior Management Functions

B.1.7 Remuneration Policy

The Remuneration Committee will review, for those in scope:

- Performance against financial targets.
- The spread and appropriateness of individual performance outcomes, prior to approval of payment against targets.

The Committee will also satisfy itself each year that the proposed Collinson Group (TCG)-wide annual bonus plan is consistent with the principles set out in the Remuneration Policy for AIL.

Salaries

Salaries are reviewed on an annual basis in line with the wider TCG guidelines and budgets for the year. Guidance from the Group on setting salaries is issued each year and includes:

- Overall budgets.
- Consideration of the impact of the market on salaries.
- Consideration of dealing with lack of parity within the organisation (i.e. gender pay gap).
- Processes for dealing with exceptional rises (outside of budget guidelines).
- Assessing and reacting to differences in remuneration across a team.

Changes to salaries are proposed by the business with consideration from the line manager and they will be approved by the CEO. Final approval of salaries for staff and directors in scope of the Remuneration Policy is required from the Remuneration Committee prior to communicating changes to individuals or amending the salaries in payroll.

Annual Bonus Plans
Bonus plans are determined by the TCG Board at the start of each financial period with the structure of the plans based on three sets targets: (1) TCG Operating Profit, (2) Insurance Division Operating Profit and (3) Personal Performance.

Insurance Division Operating Profit performance may:
- Be based on Collinson Insurance objectives (refer to figure 1 for Collinson Insurance structure).
- Be sub-divided to reflect both collective (higher-level unit) and individual (lower-level unit) responsibility and performance.

Personal performance comprises individual performance assessment against:
- The agreed role description (prescribed regulatory responsibilities).
- Defined objectives, including non-financial measures related to quality, compliance, and team development.
- Behaviours: measuring how objectives were delivered rather than what was delivered, based on AIL's values.

All measures are for The Collinson Groups' financial year (1st May to April 30th) and are generally paid after results have been validated.

B.2 Fit and Proper Requirements

AIL maintains policies and procedures to ensure that all persons who effectively run the undertaking or hold other key functions are always fit and proper. In line with the UK Fit and Proper Policy, this applies to relevant personnel performing Controlled Functions and/or Certification Functions within AIL.

Fitness and propriety is assessed having regard to: (i) honesty, integrity and reputation, (ii) competence and capability, and (iii) financial soundness. Assessments take account of an individual's qualifications, knowledge, experience and the duties allocated to them.

- Prior to appointment, relevant individuals are subject to checks including CV and employment history review, interviews, references, regulatory references where required, criminal record and credit checks, internal records where relevant, and information provided in support of regulatory applications or notifications.
- Individuals are required to disclose information relevant to their suitability, including conflicts of interest and any criminal or civil proceedings.
- Senior Management Function holders are subject to FCA/PRA approval where required.
- Certification Function holders are not approved by the regulators but must be assessed and certified by AIL as fit and proper at least annually in accordance with the Senior Managers and Certification Regime.

AIL also undertakes periodic reassessment of relevant individuals in accordance with the UK Fit and Proper Policy. Individuals are required to disclose information relevant to their suitability, including conflicts of interest and any criminal or civil proceedings.

Background screening and regulatory reference processes are supported through third-party providers where appropriate, with records retained in accordance with applicable policy and regulatory requirements.

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

AIL has embedded a consistent risk management framework, supported by appropriate Board policies and procedures to manage the key risks to the business. Where relevant, policies and procedures have been aligned to current FCA/PRA regulatory requirements. A key part of AIL's risk management framework is the way the business collectively manages, controls and reports risk at every stage throughout its governance structure.

AIL follows a three lines operating model for risk management. This approach is predicated on the business (first line) having effective risk management processes in place, coupled with the effective design, implementation and operation of effective controls. The Risk function (second line) provides strategic oversight and challenge, whilst also enabling robust risk management by providing advice, Policies, guidance and tools to aid Line 1's risk activities. Internal Audit (third line) provides independent oversight and assurance on the effectiveness of the first and second risk management.

B.3.1 Risk Management Framework

AIL has in place a comprehensive Risk Management Framework, which is underpinned by the Risk Strategy, Risk Appetite Framework and Board Policies to effectively manage various risks encountered by the business. Figure 4 illustrates the interactions and interdependencies between each component of the Risk Management Framework.

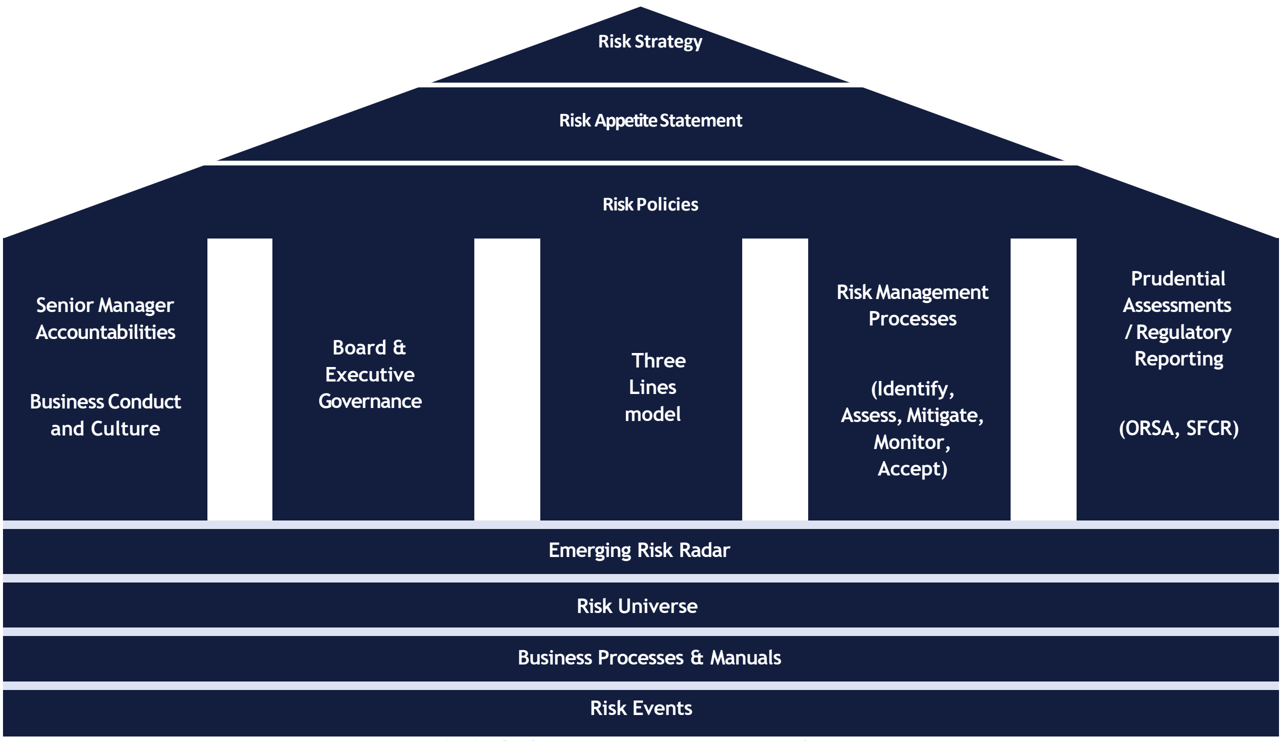

Figure 4 AIL's Risk Management Framework components

B.3.2 Risk Strategy

The Risk Strategy sets out the guiding principles that AIL follows to ensure effective risk management, supporting its commercial performance and delivering the desired customer outcomes. Twenty-one principles have been articulated, centred around five key themes providing a clear structure for AIL's approach to risk management, as illustrated in figure 5.

People & Culture	• **Accountabilities led** approach (with the Senior Manager Regime embedded from inception) • **Three Lines** operating model (with clearly defined roles & responsibilities) • Strong emphasis on **professional conduct** (i.e. 'Do the right thing') • **Culture of effective risk management** (i.e. risk identification, escalation, mitigation, awareness & learning from events)
Customers	• **Responsible Insurer** & relationship led business partner • **Safe & secure** guardian of customer data & assets • **Fair treatment** of new, & existing customers (with a strong outcomes focused ethos) • **Sensitive & flexible** treatment of vulnerable customers
Data & Systems	• **Data led strategy** for decision-making & customer relationship management • **Automate** rather than rely on manual intervention (with preventative controls where practical) • **Buy before Build** - prioritise the use of 'tried and tested' technologies from well-established providers • **"Robust" operational resilience** for systems, business processes & controls
Processes & Delivery	• **Integrated** risk & control framework • Robust selection & **oversight of Outsource Service Providers & suppliers** • **Robust change management** processes • **Timely remediation** (i.e. 'We'll put things right if things have gone wrong')
Prudential	• **Own funds:** become self-sufficient with internal growth of own funds rather than shareholder capital injections • **Resilient balance sheet** (i.e. capital & liquidity requirements are met under 'extreme but plausible' stresses) • **Stable earnings** (i.e. profitability isn't volatile/ unpredictable) • **Robust stress testing** & scenario analysis • **Prudent** approach to strategic planning & financial accounting/ reporting

Figure 5 AIL's Risk strategy principles

The Risk Appetite Framework (RAF), which forms part of AIL's Risk Management Framework set out AIL's comprehensive approach for establishing, communicating, and monitoring risk appetite. It delineates the roles and responsibilities of individuals responsible for implementing and overseeing the RAF, including relevant policies, processes, controls, and systems. The Framework is complemented by Risk Appetite Statements which set AIL's appetite across its risks and defines the associated qualitative and quantitative risk limits. Figure 6 provides an overview of how risk appetite interacts with the strategy and business planning, as well as the processes for managing risk appetite and related key enablers.

Figure 6 Interaction between business strategy and risk management

The appetite for risk is aligned to the Business Strategy to ensure that key risks are identified, and suitable mitigating controls are implemented and monitored. The risk appetite statement is agreed and reviewed at least annually by the Board and earlier in case of material change in risk profile or strategy. A monitoring programme of risk appetite metrics supporting management in ensuring that the AIL remains within its risk appetite.

B.3.3 Own Risk and Solvency Assessment (ORSA)

The Own Risk and Solvency Assessment (ORSA) require AIL to have processes in place, proportionate to the nature, scale and complexity of the risks inherent within the business. Within the risk identification process, AIL seeks to properly identify and assess the risks faced in the short and long term, and to which it is or could become exposed to whilst having processes in place which led to effective capital management.

ORSA Objectives

The ORSA process supports the BoD in achieving their strategic objectives by taking a structured and combined approach of business strategy, risk management and capital management. Thus, within this context, the prime purposes of the ORSA processes are to:

- Provide the BoD and individuals involved in the decision-making processes and management with an assessment of whether risk management and solvency position are currently and prospectively adequate.
- Serve as an essential insight for any strategic decision to be made.
- Serve as a supervisory tool by providing a detailed understanding of the evolving risk exposure, solvency position and capital planning of AIL to the Prudential Regulatory Authority.

ORSA Timing and Frequency

AIL will undertake an ORSA process, at least annually, to demonstrate the adequacy of the business strategy, available regulatory capital, the Risk Appetite and the appropriateness of the risk limits which are assessed for the business planning period, considering the evolving risk profile. It will be re-performed on an additional **'ad hoc'** basis in the event of significant change in the risk profile or business plans. Depending on the trigger and initial impact assessment, either a full or a partial ORSA (focused on the triggering event whilst keeping other variables constant) will be conducted.

Figure 7 below provides a high-level summary of the ORSA process that has been embedded. Full details of the roles and responsibilities of the ORSA process are included in the ORSA Policy.

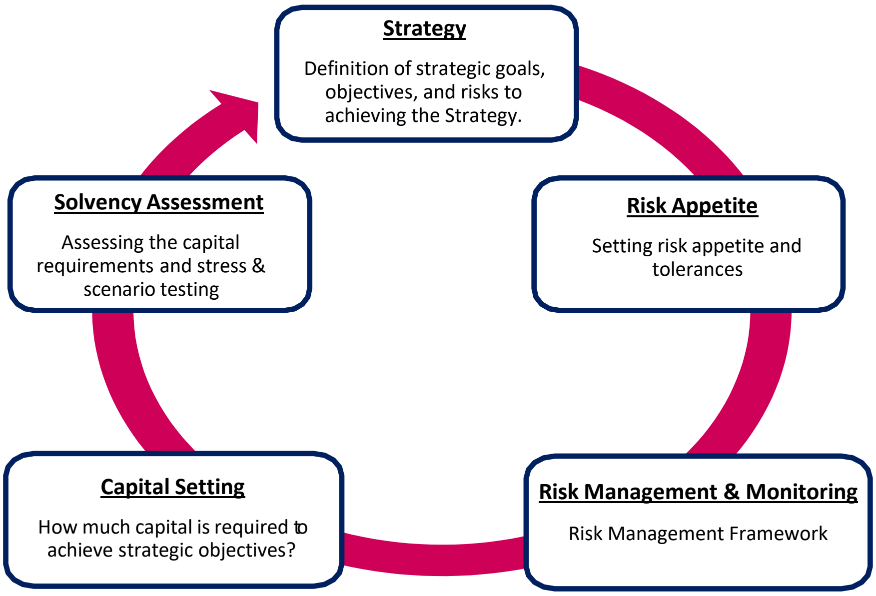

Figure 7 RSA process (as per ORSA policy).

Stress and scenario testing

A range of stress and scenario tests, which are "severe but plausible", are applied to AIL's Base Case Capital model to understand the impact of these sensitivities.

ORSA Stress and Scenario Testing 2026

Type of test	Stress and Scenario test
These tests conducted in 2025 are being repeated in 2026 due to their continued validity.	Loss of a key client - This scenario models the termination of the relationship with the key client.
	Counterparty stress (non-payment) - This scenario models a key counterparty defaulting on its debt.
New / updated tests for 2026	Economic Stress - The scenario models the UK entering a prolonged period of stagflation, contracting economic output, rising unemployment and sustained geopolitical tension.
	Cyber Attack - A sophisticated cyberattack on digital infrastructure resulting in significant operational disruption and financial loss.
	Material increase of Partner driven Gross Written Premium - This scenario delivers significantly higher business volumes than forecasted above the original budget.
	Infrastructure Stress - This scenario depicts a significant and sustained disruption to international internet connectivity occurs following the severance of multiple undersea fibre-optic cables.
	Climate Change and withdrawal of reinsurance - This scenario simulates several natural disasters that impact tourism and air travel alongside the withdrawal of a reinsurance partner.

Figure 8 Scenario analysis selection 2026

This year's exercise highlighted that the Climate Change and withdrawal of reinsurance and Material increase of Partner driven Gross Written Premium are the two scenarios that have the greatest impact on AIL's SCR. However, the Board is comfortable with the controls and management actions in place to mitigate the risks. Full details of the stress and scenario testing exercise 2026 are included in the Own Risk and Solvency report (ORSA).

AIL continues to monitor these risks through its risk management framework, including the stress and scenario testing undertaken as part of the ORSA process. This includes consideration of selected severe but plausible scenarios relevant to the external risk environment. Based on the outcomes of this analysis, AIL remains resilient to the stresses considered and continues to maintain sufficient capital resources to meet its regulatory capital requirements.

B.4 Internal Control System

The purpose of AIL's internal control system is to have in place a coherent, comprehensive and continuous set of mechanisms which are designed to secure the following:

- Effectiveness and efficiency of AIL's operations, leading to improved performance and error reduction.
- Alignment of AIL's activities with its business objectives by ensuring resources are correctly and prudently allocated.
- Safeguarding of AIL's physical and monetary assets against error, fraud, theft and unauthorised use, acquisition or disposal, by quick identification and systemic prevention of, and formal responses to these activities.
- Availability, reliability and accuracy of financial and non-financial information, ensuring proper financial reporting, by maintaining accurate and complete records required by legislation, regulation, the Board and AIL.
- Provision of timely and accurate management information critical to sound management practices and decision-making.
- Compliance with applicable laws, regulations and administrative provisions.
- Reduction of exposure to risks by minimising the chance of unexpected events.

To support a robust internal control system, a suite of governance policies has been implemented to ensure the strategy and objectives of AIL are achieved. All relevant personnel and service providers are made aware of these policies where applicable to support the internal control environment.

The Internal Control System within AIL is depicted within the other sections of section B – System of Governance with key function holders appointed to Actuarial (B7), Compliance (B5), Internal Audit (B6) and Risk Management (B3) and are detailed in the relevant sections.

B.5 Compliance Function

The Compliance Function is an independent and integral part of AIL's governance and control framework. It provides oversight, advice, and assurance to ensure the firm complies with all applicable legal and regulatory requirements, internal policies, and ethical standards. It plays a critical role in fostering a culture of compliance, supporting the achievement of fair customer outcomes, and ensuring the firm meets its accountability obligations under the regulatory regime.

The Compliance Function provides assurance to the Risk & Compliance Committee and the Board, as required under the UK regulatory framework. It acts as a second line of defence and contributes to effective risk management and sound governance.

Key Responsibilities of the Compliance Function:

- Provide independent regulatory advice and challenge to the business, ensuring decisions support fair outcomes for customers and comply with legal and regulatory expectations.
- Oversee and facilitate the implementation of proportionate, risk-based systems and controls to support compliance with UK laws, rules, and standards.

- Ensure that AIL and its Appointed Representatives (ARs) are aware of and operate within the scope of applicable regulations.
- Deliver and oversee mandatory compliance training for all employees and Board members, tailored to role-specific risks and responsibilities.
- Assist in the design, review, and implementation of policies, procedures, new products, services, and the approval of financial promotions and customer communications.
- Monitor regulatory developments through horizon scanning and industry engagement, assessing the potential impact and coordinating timely, controlled responses to regulatory change.
- Coordinate interactions with external bodies including regulators, auditors, and external consultants, ensuring transparency and consistency.
- Oversee and ensure timely and accurate regulatory reporting, including breach notifications and other statutory disclosures.
- Maintain and execute a Compliance Monitoring Plan and a Compliance Audit Plan, both approved annually by the RCC, which focus on key risk areas, third-party arrangements, and internal controls.
- Track, investigate, and report compliance incidents and breaches, and provide guidance on root cause analysis and remediation.
- Support the firm's obligations under the Senior Managers and Certification Regime (SM&CR) by understanding personal responsibilities, adhering to applicable Conduct Rules, and cooperating with any assessments, attestations, or accountability documentation.

Responsibilities of All Employees and Service Providers:

- Act with integrity and diligence to comply with applicable regulatory obligations in the course of their duties.
- Complete all mandatory compliance training within required timelines.
- Keep informed of and adhere to updates in compliance policies, procedures, and regulatory developments.
- Engage the Compliance Function in all new product or business initiatives from the earliest stage.
- Follow established procedures for complaint handling, breach escalation, and regulatory reporting.
- Ensure individual conduct meets fit and proper requirements, including integrity, competence, and financial soundness.
- Route all communications or meetings with regulators through the Compliance Function.
- Proactively seek guidance on compliance-related queries or concerns.

B.6 Internal Audit Function

The Internal Audit Function is an independent assurance function forming part of the third line within the IIA Three Lines model. The Function provides objective assurance to the Board and Audit Committee **on the adequacy and effectiveness of the system of governance**, including the internal control framework, risk management system, and governance processes.

An effective internal control system is a fundamental element of sound corporate governance. The Internal Audit Function evaluates whether established controls are appropriately designed and operating effectively, and whether the overall control environment supports compliance with regulatory requirements and the achievement of business objectives. It also considers whether senior management promotes an appropriate tone from the top and risk-aware culture.

Internal Audit operates under an Internal Audit Charter, which defines its purpose, authority, independence, objectivity, and responsibilities. The Charter is reviewed at least annually and approved by the Audit Committee.

The Head of Internal Audit reports functionally to the Chair of the Audit Committee, who is an independent Non-Executive Director, thereby ensuring independence from management. **The Function is free from operational responsibilities and is granted unrestricted access to all records, personnel, and information necessary to perform its duties.**

The Internal Audit Plan is developed using a risk-based approach and is approved by the Audit Committee. The planning process includes:

- Engagement with senior management to identify key risks;
- Review of enterprise-wide and functional risk registers (as appropriate); and
- Consideration of significant business developments, including regulatory and operational changes.

The Internal Audit Plan is subject to ongoing review to ensure it remains responsive to changes in the business and risk environment. Any material changes to the Plan are submitted to the Audit Committee for approval.

For each engagement, Internal Audit issues a report setting out the audit opinion, key observations, and agreed management actions with defined implementation timelines. **The Function monitors the implementation of agreed actions and reports progress, including overdue actions, to the Audit Committee on a regular basis**.

B.7 Actuarial Function

The Actuarial Function is responsible for providing insightful actuarial analysis to contribute to the business's success, whilst fulfilling regulatory responsibilities and ensuring policyholders' interests are protected. The Actuarial Function is a critical function of AIL, having a significant impact on pricing, reserving and capital. It is a key contributor to the effective management of insurance risks relating to the failure of pricing, risks relating to the failure of product or strategy and risks relating to adverse reserve development.

AIL has an in-house Actuarial team which calculates the UK GAAP Reserves as well as the Technical Provisions (TPs) and SCR. The function is led by the Chief Actuary, who is a Fellow of the Institute & Faculty of Actuaries and acts as AIL's senior insurance management function holder 20: Chief Actuary (SMF20).

The Actuarial Function produces an annual Actuarial Function Report (AFR) to set out:

- an assessment of the reliability and adequacy of technical provisions.
- an opinion on the underwriting policy.
- an opinion on the overall reinsurance arrangements.

The AFR and the recommendations of the Chief Actuary are presented to the Board, and the progress of actions is tracked and reported to the relevant Committee(s).

B.7.1 Governance and Independence of the Actuarial Function

The Actuarial Function will need to consider issues of governance, independence and conflicts of interests. It is required to be independent of an insurer's revenue-generating functions. In addition, normal good governance requires a degree of separation between those who perform Actuarial Function work and those who review and supervise it.

There are numerous stakeholders in the Actuarial Function's work. Some of these will rely on the output of the Actuarial Function, while others provide inputs to its work. Setting out stakeholder responsibilities clearly and in advance is important to support effective governance, independence and regulatory compliance. This is consistent with PRA expectations under the Solvency II governance framework, including the requirement for firms to maintain an effective system of governance and an actuarial function with clearly defined responsibilities. Bringing together issues of governance, independence and meeting regulatory requirements is supported by a suitable organisational structure which considers practical matters, such as the availability of suitably skilled staff.

B.8 Outsourcing

The Prudential Regulation Authority (PRA) issued a Supervisory Statement (SS2/21) setting out expectations of how PRA-regulated firms should comply with regulatory requirements and expectations relating to outsourcing and third-party risk management. These requirements have been reviewed and incorporated into the Insurance Division Outsourcing and Third-party Risk Management Policy.

This Policy ensures AIL undertakes a consistent approach to the management of risks from the sourcing and appointment of external suppliers of goods and services in line with the risk appetite set by the Board. This Policy provides a framework within which AIL manages its outsourcing and third-party arrangements risk exposures, AIL has defined this as 'the risk of loss, customer detriment and/or regulatory sanction arising from failure to meet the relevant oversight requirements for critical and important outsourcing'.

The Outsourcing & Third-Party Management Policy details the defined sourcing approach when procuring the services and providing regular oversight of the performance of third parties in relation to key contractual requirements particularly with respect to external suppliers that are deemed to provide a critical and important service to AIL and therefore, ultimately, to its customers.

These services are of such importance that a defect or failure in its performance would materially impair the continuing compliance of AIL with the conditions and obligations of its authorisation or its other obligations under the regulatory system, or its financial performance, or the soundness or the continuity of its relevant services and activities.

The Board is responsible for the approval, application and review of this Outsourcing Policy. The Board is ultimately responsible for the approval of and termination of all outsourcing arrangements of any critical or important functions and activities. The Board may delegate the on-going monitoring and supervision of outsourcing arrangements to a subcommittee of the Board (Outsourcing Committee). The Outsourcing Committee is responsible for assessing the risks associated with the outsourcing of critical or important functions or activities as part of its overall remit to identify, assess, manage, monitor and report the risks on an ongoing basis.

AIL only enters into outsourcing arrangements with service providers who have adequate financial, human, capital and systems resources to take on the activities outsourced to them. AIL assesses that the provider is financially sound and has the relevant knowledge and experience of the service it is contracted to supply. The outsourcing of critical and/or important operational functions or activities has not been undertaken in a way that has led to any of the following:

- Materially impair the quality of the system of governance of the Group.
- Unduly increasing the exposure to Operational Risk.
- Impairing the ability of the supervising authorities to monitor the compliance of the Group with its obligations.
- Undermining continuous and satisfactory service to policyholders.

AIL remains fully responsible for all outsourced functions and activities it needs to include in its risk management systems and controls for monitoring and reviewing the quality of the service provided. To ensure effective control of outsourced activities and manage the risks associated with the outsourcing, AIL maintains the competence and ability to assess whether the outsourcing provider delivers according to contract.

AIL has an intra-group agreement with Collinson Insurance Services Limited (CISL) for arranging claims handling, IT, Finance, Underwriting, HR services and other administration support.

The following critical or important operational functions have been outsourced by AIL:

- Claims Handling for some products.
- Supplier Hosted Data Storage and Application Services (e.g. Cloud Computing).
- Medical Assistance case management.
- Back-office services such as IT, HR, Facilities.
- Distribution, sales and complaint handling for some products.

The arrangements detailed above are reviewed regularly to ensure outsourcing risks are mitigated and that quality of service is maintained in line with the Outsourcing & Third-Party Management Policy. These activities are provided from third parties within the United Kingdom and Europe, with a range of back-office services across claims and customer operations provided from third parties in Asia and South Africa.

Given the evolution of the operating model and the legacy business, ownership of CISL will transition. CISL is currently owned by CIGL and will be transferred to AIL. A regulatory application for the change of control has been submitted and is in the process of being executed in July 2026. The impact on AIL's risk profile and capital position will be documented in an ad hoc ORSA.

B.9 Any other information

The Board has conducted an annual review of its effectiveness. Each Director filled out a Board Effectiveness Questionnaire, which was submitted to designated individual who compiled and presented the results to the Board.

The Board also undergoes an annual fit and proper assessment to ensure members are suitable for their roles as part of the SMCR obligations. Directors and key function holders are also included in the scope of this fit and proper assessments, which are done via an external provider.

C. Risk Profile

AIHL's risk profile is not materially different from AIL. This is because AIL is the risk carrier and AIHL only holds an immaterial amount of additional Own Funds over and above AIL. Therefore, the risk profile of both entities is treated as being one and the same and only reported once for the sake of brevity. AIL's risk exposure is classified within 8 level 1 risk classes: Financial Risk, Underwriting risk, Prudential Risk, ICT & Security Risk, Operational Risk, Regulatory Risk, Conduct Risk and Strategic risk. Table 6 provides a breakdown of the components of the SCR as at 30th April 2026:

Risk	FY26	FY25	Movement
	£'000	£'000	£'000
Non-Life Underwriting	20,369	14,023	6,346
Health Underwriting	13,581	7,836	5,745
Market Risk	4,299	3,405	894
Counterparty Default	1,072	691	381
Undiversified BSCR	**39,321**	**25,955**	**13,366**
Diversification	(12,426)	(8,041)	(4,385)
Basic SCR	**26,895**	**17,914**	**8,981**
Operational Risk	8,069	5,374	2,695
LACDT	(2,295)	(1,693)	(602)
SCR	**32,669**	**21,595**	**11,074**
Own Funds	**49,496**	**38,026**	**11,470**
SCR Coverage Ratio	152%	176%	(24%)

Table 6 Solvency Capital Requirements

Increase in Solvency Capital Requirement (SCR)
The increase in the Solvency Capital Requirement (SCR) is primarily attributable to a rise in Non-Life and Health Underwriting risks, which have increased by approximately £12.1m on a standalone basis. This increase is mainly driven by higher projected business volumes and a reduction in quota share reinsurance cover, which have contributed to premium and reserve risk.
Furthermore, the Health Catastrophe risk (i.e. Mass Accident) has been recalibrated for FY26, this risk has increased by c.£200k due to the higher premium of other Personal Accident products.

Changes in Quota Share Reinsurance
During the reporting period, AIL has maintained structured Quota Share reinsurance arrangements with its primary and secondary reinsurer, with no fundamental changes to the overall structure of the programme.

The arrangements continued to operate on a scheme attaching basis, comprising:

- Overall quota share reinsurance cession reduced during the reporting period, while maintaining a structured level of reinsurance protection across the portfolio.
- Targeted scheme-level adjustments and exclusions were implemented during the reporting period, enhancing flexibility and supporting alignment with portfolio mix, reinsurance efficiency and capital management objectives.

Overall, the reinsurance programme remained stable, with changes focused on incremental optimisation rather than structural redesign.

Increase in Lapse Risk
Additionally, there has been an increase in lapse risk due to higher expected profits in uncollected premium.

Increase in Market Risk
Market risk has also increased by £894k primarily driven by the interest rate risk charge of c.£1.43m compared to c.£0.52m in FY25. This is due to the implementation of the investment strategy of AIL, together with higher premium asset, asset under management (AUM) and yield environment.

AIL's assets and liabilities are valued on a Solvency II basis, resulting in a deferred tax liability of £2.3m. In line with Solvency II requirements, a Loss-Absorbing Capacity of Deferred Taxes (LACDT) adjustment of £2.3m has been recognised within the SCR calculation. This reflects the extent to which losses arising under the 1-in-200-year stress scenario would reduce future tax liabilities, thereby absorbing a portion of the stressed losses and reducing AIL's Solvency Capital Requirement (SCR).

Operational risk increased by c.£2.7m broadly in line with the increase in the Basic SCR. The Operational Risk charge remains capped at 30% of the Basic SCR in accordance with UK Solvency II requirements.

The overall impact to the SCR is an increase of £11.1m.

The Eligible Own Funds have increased by £11.5m over the financial year, driven by profit on retained earned premium, investment returns and a £4m capital injection into AIL. To facilitate the £4m capital injection into AIL, AIHL also received a £4m capital injection from Collinson Insurance (Holdings) Limited.

C.1 Underwriting Risk

Underwriting risk arises from the volume of business we underwrite, inadequacies in pricing, compared to the product benefits, or worse than expected claims experience. The majority of underwriting risk to which AIL is exposed is of a short-term nature in view of the lines of business which it writes.

Table 7 shows the Underwriting Risk charge for year ending 30th April 2026 and percentage of the undiversified Basic SCR with a comparison with the previous financial year.

Underwriting Risk	FY26		FY25		Change	
	£'000	BSCR %	£'000	BSCR %	£'000	BSCR %
Non-life Underwriting risk	20,369	76%	14,023	78%	6,346	(2%)
Health Underwriting Risk	13,581	50%	7,836	44%	5,745	6%
Total Underwriting Risk	**33,950**	**126%**	**21,859**	**122%**	**12,091**	**4%**

Table 7 Underwriting Risk charge

C.1.1 Underwriting risk is mitigated through:

- Single source performance information produced on a regular basis, feeding into the underwriting and management processes and informing decision-making. AIL has also invested in improvements to its analytical processes.
- AIL is a specialist insurer focusing on Travel and ancillary personal lines insurance products. As well as pricing, AIL has additional controls to segment the market and target those risks it wishes to underwrite in close cooperation with its key affinity partners.
- Reinsurance arrangements, including quota share and excess of loss protections, which reduce exposure to large individual losses, catastrophe or aggregated loss events, and overall volatility in underwriting results.
- A quarterly review of reserving loss ratios is undertaken, which informs the setting of UK GAAP reserves. This is done by projecting claims to an ultimate position using underwriting year triangles. Back testing of recent experience against the expected premiums and claims emergence is performed between Reserving Committees where the analysis is challenged prior to sign off and booking. As the Best Estimate Technical Provisions (TPs) consist of Premium Provisions, Claims Provisions and Risk Margin, the booked UK GAAP reserves form an input into AIL's Best Estimate TPs Model.
- Underwriting Governance processes including the deal rooms pay particular attention to how much Underwriting Risk Capital is being consumed by the product or scheme under review and includes

comparison of the scheme risk capital to the available capital headroom. Return on Capital calculations drive underwriting focus towards items which deliver an appropriate return on capital.

C.1.2 Underwriting risk is monitored by:

AIL has a Board-approved Risk Appetite Statement that includes the monitoring of the Underwriting metrics, which are monitored within appropriate governance fora. This monitoring provides assurance that AIL is ultimately operating within the Board-approved risk appetite and remains within the budgeted capital plan.

C.2 Market Risk

Market risk arises from fluctuations in the market value of, or income from, AIL assets. AIL has invested its assets in investment funds which allows AIL to gain a reasonable return on its available assets to support the operations, while also ensuring adherence to the prudent person principle and adequate liquidity since a significant amount of these investments are callable within one day's notice.

AIL has exposure to the following types of market risk:

- Currency risk – AIL is exposed to currency risk in respect of liabilities under policies of insurance and reinsurance contracts denominated in currencies other than sterling. AIL manages its foreign exchange risk against its functional currency. Foreign exchange exposure arises when there is a mismatch in the value of the foreign currency assets and liabilities.
- Interest rate risk – AIL is exposed to interest rates in respect of duration of liabilities and assets mismatching with each other under different currencies. AIL manages its exposure to interest rate risk via quarterly Finance and Investment Working Group meetings to ensure the risk charge of interest rate risk is within its risk appetite.
- Spread risk and concentration risk – AIL is exposed to spread and concentration risk originated from its investment portfolio.

The standard formula is deemed to be an adequate measure of market risk given the size and complexity of AIL's market risk exposure. Cash exposures are considered within the Counterparty Default risk module.

Table 8 shows the Market Risk charge for year ending 30th April 2026 and percentage of the undiversified base SCR with a comparison to the previous financial year.

	FY26		FY25		Change	
	£'000	BSCR %	£'000	BSCR %	£'000	BSCR %
Market risk	4,299	16%	3,405	19%	894	(3%)

Table 8 Market risk charge

AIL does not directly use derivative instruments to manage exposure to foreign currencies, instead its ongoing monitoring of non-Sterling asset and liability exposure and rebalancing any surplus / deficit positions allows AIL to control currency exposure. However, Fund Managers do use FX hedging as part of their currency share classes. During FY26, AIL continued to implement its investment strategy, reducing its allocation to money market instruments from 66% to 47%.

AIL is required, and strictly follows, the prudent person principle to invest its assets to cover the respective MCRs and SCRs. The prudent person principle defines that the assets must be invested in a manner that a 'prudent person' would – that is that the decisions are based on sound judgement, avoid excessive risk and speculation and must focus on longer terms objectives than short term gain.

C.2.1 Market Risk is mitigated by:

- The Investment Strategy defines the currencies in which underlying investment assets may be held.
- Surplus currency bank and cash positions are monitored and rebalanced by the finance function when any surplus or deficit positions arise.
- The Finance and Investment Working Group monitors the level of AIL's exposure to foreign currency against risk appetite and the approved business plan.
- The Finance and Investment Working Group also monitors the level of AIL's exposure to asset liability mismatching against risk appetite and the approved business plan.
- The overall level of current and forecast exposure to foreign currencies across the AIL balance sheet and the impact this has, or may have, on the regulatory capital of AIL is monitored by the RCC.
- The banks used by AIL currently have a credit rating of A or higher.
- The amount of cash held by AIL is also monitored and ensured to be within the limit approved in the business plan.

C.2.2 Market risk is monitored by:

Regular monitoring of cash balances and concentration limits is managed by the Operational Cash Management team reporting to the Finance leadership team. This assists with remaining within risk appetite and acts as an early warning to potential stress events. AIL has a Board-approved Risk Appetite Statement that includes the monitoring of the Market, Investment and Liquidity risk metrics below, which are reviewed within appropriate governance forums. This monitoring provides assurance that AIL is ultimately operating within the Board approved risk appetite and remaining within the budgeted capital plan.

C.3 Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where AIL is exposed to credit risk are:

- Reinsurer's share of insurance liabilities.
- Amounts due from reinsurers in respect of claims already paid.
- Amounts due from policyholders.
- Amounts due from insurance intermediaries.
- Cash held with banks.

Table 9 shows the Counterparty Risk charge for year ending 30th April 2026 and percentage of the undiversified base SCR with a comparison with the previous financial year.

	FY26		FY25		Change	
	£'000	BSCR %	£'000	BSCR %	£'000	BSCR %
Counterparty risk	1,072	4%	691	4%	381	0%

Table 9 Counterparty risk charge.

C.3.1 Counterparty risk is mitigated by:

AIL manages the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties and to geographic and industry segments. Such risks are subject to regular review.

- AIL has a minimum required reinsurer credit rating agency (A.M. Best) of A- with its principal Quota Share reinsurer currently having a rating of A+.
- The Excess of Loss reinsurance panel comprises of reinsurers with a minimum credit rating of A. The panel is comprised primarily of Lloyd's reinsurers.
- The Board policy is to maintain intercompany debt with other Collinson entities at a minimum, so reducing AIL's counterparty credit exposure.

- Exposure to credit risk in respect of amounts due from policyholders is mitigated by AIL's large customer base and the low average level of individual balances outstanding. AIL is not exposed to concentrations of credit risk in respect of policyholders.
- The RCC meets on a quarterly basis and is responsible for monitoring these risks to ensure they remain within risk appetite.

C.3.2 Counterparty risk is monitored by:

Regular monitoring of cash balances and concentration limits are managed by the Operational Cash Management team reporting to the Finance leadership team. This team assists with ensuring AIL remains within risk appetite and acts as an early warning to potential stress events. AIL has a Board-approved risk appetite statement that includes the monitoring of the Credit risk (including Counterparty) risk metrics below, which are monitored within appropriate governance forums. This monitoring provides assurance that AIL is ultimately operating within the Board-approved risk appetite and remains within the budgeted capital plan.

C.4 Liquidity Risk

Liquidity risk is the risk that AIL although solvent or profitable, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can secure such resources only at excessive cost.

Liquidity risk is not explicitly captured as a separate risk module within the Solvency II Standard Formula SCR calculation and is not considered a material risk to AIL as the assets to support the risks and capital requirements are largely held in cash deposits with banks with a current credit rating of A or higher as well as highly rated and diversified money market funds. AIL considers the composition of its assets in terms of their nature and liquidity to be appropriate and sufficient to meet its obligations as they fall due.

AIL manages the level of liquidity risk:

- Liquidity and Asset Liability Management Policies in place.
- Monthly cash forecast.
- Monthly report of cash and liquid balances presented to the Board.
- ALM (currency) forecast on quarterly basis.
- Set guidelines on asset allocations and maturity profiles of assets, to ensure sufficient funding available to meet insurance contract obligations.

During the period ended 30th April 2026 AIL was not exposed to significant liquidity risk.

C.5 Operational Risk

Operational Risk Level 1 Class in AIL's Risk Universe and is defined as 'the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events'. This definition includes legal risk but excludes strategic and reputational risk. To operate efficiently AIL recognises that it needs to have a robust framework in place to manage operational risk.

The framework is underpinned by a Risk Management Policy. The following are the Board Policy Statements that have been implemented to manage Operational Risk:

Risk Culture: The Board and Executive Management will seek to lead AIL in delivering a strong risk management culture.
Risk Framework: The Risk function will seek to develop, implement, and maintain a risk framework and standards that align to regulatory requirements.
Risk Identification: AIL will seek to use appropriate risk management tools to identify actual, potential, or emerging risks in all material products, activities, processes, and systems.
Risk Assessment: AIL will seek to use appropriate risk management tools to assess risks in all material products, activities, processes, and systems to ensure that risks are properly understood.

Risk Control: AIL will seek to use appropriate internal controls e.g., policies, processes and systems and appropriate risk mitigation and transfer strategies to manage its operational risks.
Risk Events: AIL will seek to ensure that incidents are identified, escalated, and effectively managed within agreed parameters.
New Product Approval: AIL will seek to ensure that new products, material changes to existing products and associated operational implications are assessed for risk.
Risk Reporting: AIL will seek to regularly monitor its risk profile and material exposure to losses.
Operational Resilience: AIL will seek to maintain robust operational, cyber, and technological resilience for both its in-house processes and activities and those undertaken by its partners.

As a standard formula company, the Operational Risk SCR charge is primarily driven by premium volumes especially premium volume growth. Table 10 shows the Operational Risk charge for year ending 30th April 2026, which has been capped at 30% of the Basic SCR with a comparison with the previous financial year.

	FY26		FY25		Change	
	£'000	BSCR %	£'000	BSCR %	£'000	SCR %
Operational Risk	8,069	30%	5,374	30%	2,695	0%

Table 10 Operational risk charge

C.5.1 Operational risk is monitored by:

AIL seeks to mitigate the risk with the implementation of a robust Risk Management Framework which is consistent, effective, economic and proportionate to the nature, scale and structure of the business. The framework is supported by a Risk Management Policy and procedures detailing clear roles and responsibilities to support staff in undertaking their business-as-usual activities whilst managing the day-to-day operational risks.

C.6 Other Material Risks

Other risks that could impact AIL's ability to meet its business plan are:

Economic, Social and Governance (ESG)

AIL has a well-established Working Group (WG) to support the delivery of The Collinson Group (TCG) sustainability goals. Membership of this Working Group has representation from across key business areas and regions from the UK, Malta, and Ireland. The initiative is sponsored by the CEO and led by the Chief Risk Officer. AIL has defined its ESG strategy aligned to TCG's in three key pillars as shown in Figure 9.

Figure 9 ESG pillars

AIL has a defined set of risk appetite statements for ESG and associated KRIs, which are monitored and reported via the ESG dashboard.

Risk has completed a climate change gap analysis against SS5/25, and an action plan has been developed to support the further strengthening of the control environment by the end of 2027.

Strategic Risk is defined as **"the risk of loss, customer detriment and/or adverse impact on the Insurer's objectives arising from strategic / business threats (e.g. market forces, macroeconomic, political, socioeconomic factors, etc)".** The consequences of inappropriate strategic decisions will be assessed within each risk contributing to the SCR.

Group Risk - AIL is dependent upon on the wider Collinson Group for the provision of the following services directly associated with the sale of insurance and servicing of policy obligations, including:

- Underwriting and pricing.
- Claims handling.
- Policy administration.
- Investment management and treasury.
- Finance, accounting, reserving and tax.

In addition, Collinson Group provides services which indirectly support the sale of insurance and servicing of policy obligations, including:

- Property and infrastructure.
- People and Culture.
- Information systems.
- Data management.

Operating Costs (non-technical) AIL's current and planned operating model, over the current three-year forecast cycle, is to outsource the provision of key operational activities, including:

- Underwriting and pricing.
- Claims handling.
- Finance, actuarial, reserving and taxation.
- Policy administration.
- Investment management and treasury.

The current outsourcing arrangement in respect of operating costs (non-technical in nature) is with CISL. CISL is the legal entity through which the Collinson Group performs managing agency business in the UK. CISL also acts as a service company to AIL along with other divisional legal entities. These divisional entities perform a range of services such as insurance brokerage, claims management and policy administration.

There is a separate profit commission agreement between AIL and CISL covering the respective arrangements in place for the profit commission paid to CISL for the provision of insurance administration services to AIL. The basis of this profit commission is AIL retain a 4.5% fronting fee on retained net earned business written, with the balance of underwriting profit being paid as profit commission to CISL. (Note: there is a guaranteed profit commission of 10% to CISL and in effect a corridor, of 85.5% to 61%, where the profit commission paid is restricted. Typically, our loss ratio is 77% and the corridor limits are not breached).

This model means, that subject to the upper corridor limit (85.5%) not being breached, then AIL will make a profit before FX and interest. This is reflected in the future forecasts which show a steady profit stream and increase in own funds, within well capitalised funds. For CISL, the profit commission received is variable depending on underwriting performance of the overall portfolio.

AIL therefore has a significant inter-dependence with CISL to enable AIL to deliver the services to its ultimate clients, including the provision of insurance administration services. AIL works closely with CISL to satisfy itself that it continues to have the economic and operational resources to continue to meet its obligations.

Emerging risks

AIL defines Emerging risk as **"newly developing or evolving risks that are typically characterised by significant uncertainty in terms of impact and likelihood. This uncertainty is often underpinned by restricted data, changes in the environment, technology or societal factors".** Emerging risks represent areas where AIL knowledge and understanding are limited, requiring proactive monitoring, intelligence gathering, and scenario development to assess and mitigate potential impacts.

AIL uses an Emerging Risk Radar to enable the timely identification, assessment and proactive management of material business risks that have the potential to adversely impact strategic delivery. This approach considers risks in four thematic groups:

- **Climate & ESG:** Material Risks that can affect business performance, long-term sustainability and regulatory and / or legal changes that will impact AIL strategy.
- **Technological:** Material Risks like system failures, data breaches and disruptions to business operations.
- **Talent:** Material Risk in attracting, retaining, and developing the right people.
- **Economic & Political:** Material Risks to the financial performance of AIL e.g. macroeconomic conditions, while political risk arises from political instability, policy changes, or events like wars or elections.

It is a dynamic and iterative tool that is subject to regular review and challenge by Executive management and the Board.

C7 Any Other information

Neither AIL, nor AIHL, have other material information to disclose.

Please see section B3.3 for further details on the ORSA Stress and Scenario Testing 2026.

D. Valuation for Solvency Purposes

The Group Companies each prepare Solo accounts on a UK GAAP basis. The Group and Solo balance sheets have been prepared in accordance with PRA fair value valuation principles.
The structure and underlying assets and liabilities within the consolidated AIHL/AIL (Group) and AIL (Solo) UK GAAP and balance sheets are identical except for a single asset position held in the group balance sheet of a receivable of £0.1k (2025: £0.1k) which is due from a Collinson Group undertaking.

Accordingly for clarity and to avoid duplication this section (Section D) is based on the AIL (Solo) UK GAAP and Solvency II balance sheet. AIHL's consolidated Solvency II balance sheet prepared under Method 1 (accounting consolidation-based method) is reported within the appendix.

D.1 Assets

Under the valuation rules prescribed under Solvency II balance sheet AIHL/AIL values all assets and liabilities at fair value within the balance sheet. Fair value is the value at which knowledgeable and willing parties could exchange assets and liabilities in an arm's length transaction. Fair value for financial assets and liabilities is best demonstrated by reference to quoted market prices. Where, due to a lack of liquidity in the market for a class of asset, fair value cannot be established from market prices, an alternative valuation approach to determine fair value is required. As of 30 April 2026, AIHL/AIL did not hold any financial investments, the fair value of which could not be determined from market prices. Where assets and liabilities not actively traded in markets are to be settled by payment or receipt of cash, fair value is calculated by means of discounting future cash flows by a risk adjusted discount rate. Where the impact of discounting is not material, cash flows are not discounted.

Deferred acquisition costs (DAC) of £67,343k, reflected as an asset on the UK GAAP balance sheet, is not recognised as an asset on the Solvency II balance sheet, as DAC does not have the capacity to absorb losses.
Where cash flows from insurance receivables are not yet due, the value of these cash flows is reclassified from insurance receivables and included in technical provisions.

Table 11 shows AIL's summary Solvency II balance sheet alongside the balance sheet under UK GAAP with the differences in asset and liability valuations and presentation between the two regimes presented in the final column. Consolidated UK GAAP financial statements are not currently prepared and accordingly the Group UK GAAP balance sheet has not been presented.

Assets	Solvency II	UK GAAP	Variance
	£'000	£'000	£'000
Deferred acquisition costs	-	67,343	(67,343)
Financial investments	122,066	121,920	146
Reinsurance assets (Reinsurers share of TP's)	985	75,376	(74,391)
Receivables insurance	8,451	35,685	(27,234)
Receivables reinsurance	383	1,482	(1,099)
Receivables trade not insurance	-	146	(146)
Cash and cash equivalents	4,481	4,481	-
Other Assets	38	38	-
Total assets	136,404	306,471	(170,067)

Table 11 AIL summary balance sheet.

Financial investments
Financial investments of £122,066k comprise units in open-ended investment funds, principally money market funds and pooled fixed income / bond funds. For Solvency II purposes, these investments are valued at fair value, consistent with the valuation basis applied in the financial statements. The value is determined using the number of units held at the reporting date multiplied by the relevant published dealing price or NAV, with accrued investment income included where applicable.

The financial investments comprise Level 1 money market funds of £57,838k and Level 2 pooled fixed income / bond funds of £64,228k.

Level 1 investments comprise money market funds. These funds are valued using the published stable dealing price per unit at the reporting date, being £1 / €1 / $1 depending on the currency share class.

Level 2 investments comprise the remaining pooled fixed income / bond funds. These funds are valued using published NAV / dealing prices provided by the fund manager or fund administrator. The NAV is based on observable market inputs, but is classified as Level 2 as the dealing price is NAV-based and may reflect fund-level pricing adjustments under the fund's pricing methodology.

The Company held no Level 3 financial investments at the reporting date.

Reinsurance assets
Under UK GAAP, reinsurance balances include accounting accruals for expected recoveries from reinsurers. Under Solvency UK, future reinsurance cash flows are reflected within the valuation of reinsurance recoverables on a best estimate basis, taking into account the timing of those cash flows and, where applicable, discounting. As a result, reinsurance assets under Solvency UK primarily comprise the best estimate value of expected future recoveries arising from underlying insurance obligations, adjusted where appropriate to reflect counterparty default risk

Cash and cash equivalents
Consist of cash at bank and in hand and are valued at fair value.

Receivables insurance
Receivables insurance represent cash flows from intermediaries and policyholders which are due or have become overdue. Within the solvency II balance sheet these future due cashflows are presented in technical provisions non-life.

Receivables trade not insurance
The £146k of trade receivables is wholly in respect of interest accrued on our investments. Under Solvency II this is included within the value of the Investments rather than as a separate asset under UK GAAP.

D.2 Technical Provisions

Table 12 details the Technical Provisions (TPs) for AIHL / AIL:

£'000	Medical Expenses	Income Protection	Other Motor	Fire & Other Damage	Assistance	Marine, aviation and transport	Miscellaneous Financial Loss	Total
Claims Provisions	16,794	5,266	2,188	2,453	10,472	3	1,052	38,228
Premium Provisions	6,628	746	2,527	2,342	5,282	0	293	17,818
Total Best Estimate	**23,422**	**6,012**	**4,715**	**4,795**	**15,754**	**3**	**1,345**	**56,046**
Risk Margin	260	130	188	175	268	0	101	1,122
Technical Provisions - Total	**23,682**	**6,142**	**4,903**	**4,970**	**16,022**	**3**	**1,446**	**57,168**
Total Recoverable from Reinsurance	(250)	(887)	105	73	(67)	0	41	(985)
Technical Provisions - Net of Reinsurance	**23,432**	**5,255**	**5,008**	**5,043**	**15,955**	**3**	**1,487**	**56,183**

Table 12 AIHL / AIL TPs.

The detailed valuation is carried out in accordance with requirement of the PRA Rulebook, specifically valuation and technical provisions (TPs). TPs are the sum of the best estimate liabilities (BEL) and the risk margin. Best estimate corresponds to the probability-weighted average of future cash flows, taking into account the time-value of money using the relevant risk-free rate term structure. The bases, methods and assumptions used for the valuation of TPs do not materially differ by line of business and are as follows.

Calculation Basis

- Calculations are carried out on a going-concern basis.
- Insurance exposure is split into one of seven lines of business; Medical Expenses, Assistance, Marine, aviation and transport insurance, Miscellaneous Financial Loss, Fire & Other Damage to Property, Income Protection and Other Motor.
- TPs are calculated as best estimate cash flow projections of all inflows and outflows required to settle liabilities.
- The time horizon for the calculations includes all cashflows within the contract boundary including BBNI.
- Cash flows are discounted using the PRA's basic risk-free rates (without the matching adjustment and volatility adjustment). It is assumed that, on average, cash flows occur in the middle of each month.
- Best estimate calculations are at homogenous risk group level by scheme and scheme year and are based on up-to-date credible information and realistic assumptions. The quality and sufficiency of data underlying the calculation is compliant with regulatory standards.

Best Estimate

- The TPs, so far as concerns this element, are on a best estimate basis.
- The best estimate consists of a claims provision and premium provision for business on risk at the valuation date.

Claim Provisions

- The claims provisions are calculated as the discounted best estimate of all future cash flows relating to existing claims that occurred on or prior to the valuation date i.e. claims on earned business.

- The provision for claims outstanding is the underlying best estimate, as calculated within the UK GAAP reserves using a combination of actuarial and statistical techniques, including Chain Ladder and Bornhuetter-Ferguson techniques.

The difference between calculating the best estimate claims provision under Solvency II is to:
- Remove any management margin within held reserves.
- Allow for low probability high severity events, referred to as Events Not In Data (ENIDs) where applicable.
- Include expenses required for the run-off of reserves where applicable.
- Discount cash flows.

Premium Provisions
- The premium provisions are calculated as the discounted best estimate of all future cash flows relating to claims for projected future events on existing business (i.e. claims on the unearned business).
- The premium provisions also include the discounted best estimate of all future cashflows on bound but not incepted (BBNI) business.
- Cash flows are projected in line with all insurance obligations related to future exposure until contract boundaries, and lapses and mid-term cancellations are allowed for as per business expectations.

The difference between calculating the best estimate premium provision under Solvency II is to:
- Allow for ENIDs where applicable.
- Include expenses required for the run-off of reserves where applicable, and
- Discount cash flows.

Risk Margin
- The Risk Margin is included as a component of the technical provisions to ensure that the value of total technical provisions is equivalent to the amount that another insurance or reinsurance undertaking would be expected to require to take over and meet the insurance and reinsurance obligations.
- The Risk Margin has been calculated in accordance with Technical Provisions Part 4 of the PRA Rulebook as restated under the UK's Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023 and Amended Regulations. This calculation assumes the SCR will proportionally decrease based on the run-off pattern of net claims payments. The Cost of Capital rate is 4% in accordance with "The Insurance and Reinsurance Undertakings (Prudential Requirements) (Risk Margin) Regulations 2023".

Reinsurance Recoverables
- TPs are calculated gross, and the reinsurance recoverable asset is calculated using a similar corresponding approach, consistent with the boundaries of the inwards contracts to which those relate. Additionally, future reinsurance costs are adjusted where necessary to allow for contractual obligations of non-proportional reinsurance contracts.
- The reinsurance recoverable asset has been adjusted to allow for the best estimate probability of reinsurer default. Reinsurance recoverables relate to insurance liabilities ceded to A rated reinsurers for quota share, and a panel of A-rated reinsurers for excess of loss reinsurance.
- No credit is taken for reinsurance recoveries against claims not included in gross TPs, while UK GAAP allows deferred reinsurance expenses that can be significantly reduced under Solvency II.

Level of uncertainty associated with the amount of TP's
The key assumptions that may impact the Technical Provisions are detailed below along with the comments regarding the materiality of these assumptions.
- **Assumed loss ratio**: Loss ratios are calculated by scheme and reviewed and approved by the Reserving Committee.

- **Settlement period**: Claims settlement patterns are calculated by scheme and based on historical data. The settlement patterns feed into the Technical Provisions to split out the future cashflows by period.
- **Discount rate**: The risks underwritten by AIL are short tailed so there is limited discounting benefit.
- **Expenses**: The relevant expenses involved in the operation of AIL are included within the calculation of the technical provisions.
- **Reinsurance**: It is assumed that the reinsurance will perform as expected, although the technical provisions include an allowance for bad debt.
- **ENIDs**: Are calculated based on scenario analysis for each product underwritten by AIL. The amount calculated is small compared with other elements in the calculation of the technical provisions.

Figure 10 illustrates the reconciliation from UK GAAP to valuations as at 30th April 2026 – Net of Reinsurance

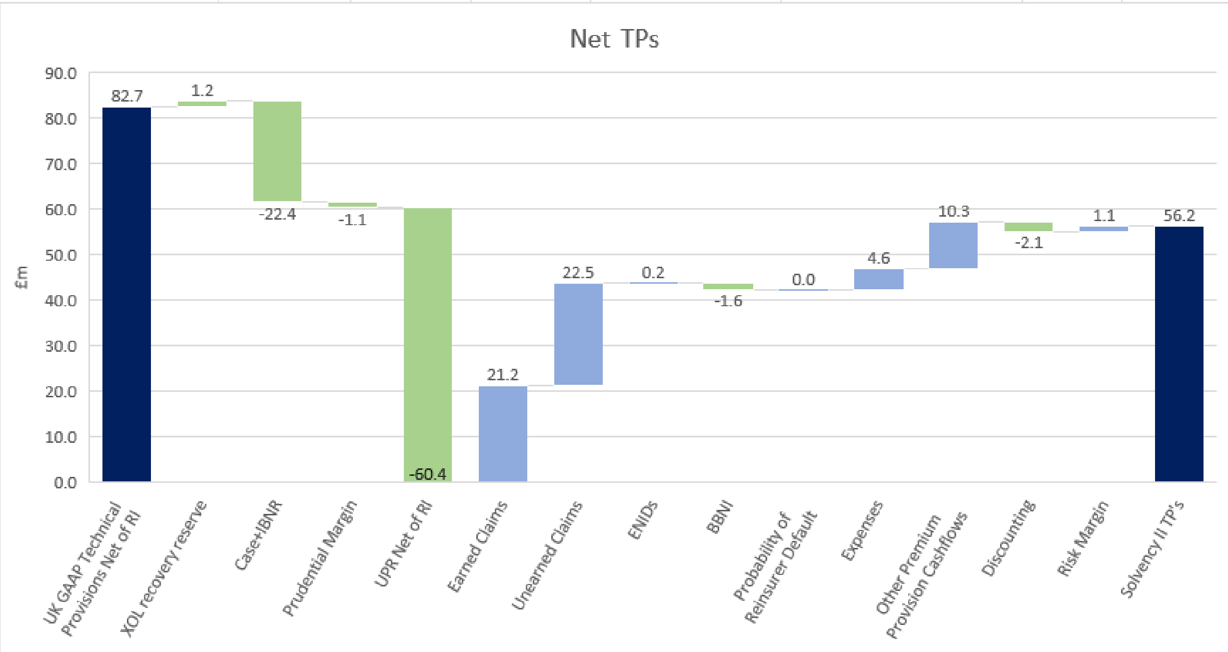

Figure 10 Movement from UK GAAP to valuations.

Key for waterfalls: increase in TP's | reduction in TP's

Please note that within the above waterfall the UK GAAP Technical provisions value of £82,660 is net of reinsurer's share of UK GAAP technical provisions and gross of DAC. The difference between UK GAAP and valuations are caused by the adjustments between the bases, methods, and main assumptions used. In particular, the following adjustments are made to convert UK GAAP provisions to the best estimate:

- Remove prudent margin.
- Adjust the provision for unearned premium to represent proportion of unearned premiums that relate to the unearned claims only (best estimate view).
- Allow for ENIDs.
- Allow for BBNI.
- Allow for the probability of reinsurer defaulting.
- Provide for run-off expenses.
- Movement in other premium provisions cash flows, includes future expected net cash flows in respect of premium instalments, commissions, profit shares, and reinsurance.
- Movement in creditors/debtors.
- Discount the cash flows.
- Include a risk margin.

Due to the proportionality principle and the Company's reporting processes, detailed movement information by Solvency II line of business is not produced. Management is satisfied that this does not impair its ability to assess the adequacy of technical provisions or meet Solvency II reporting requirements.

Matching adjustment, volatility adjustment and transitional provisions
AIL does not utilise any of these arrangements.

Changes to technical provisions from previous reporting period
Figure 11 shows the walk from year end 2025 TPs to year end 2026 TPs.

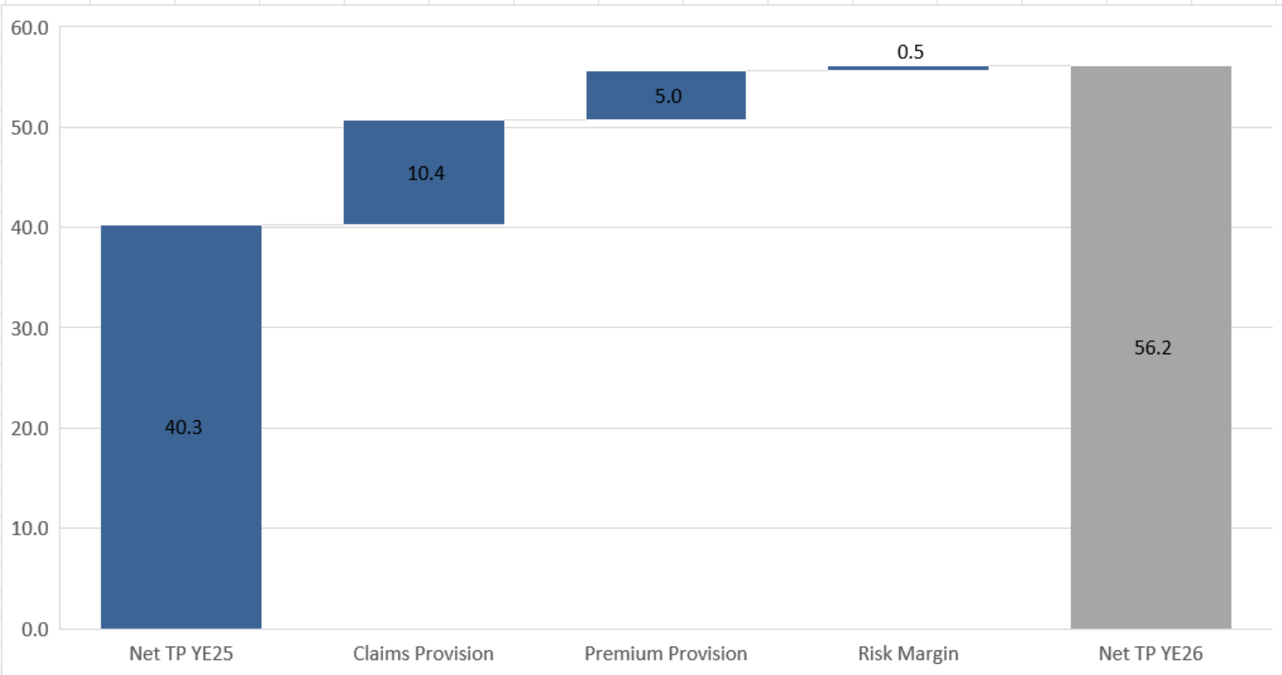

Figure 11 TP FY 25 to FY 26 net of reinsurance.

Reinsurance
AIL's reinsurance program comprises of two components – Risk Excess of Loss (XOL) and Quota Share (QS) reinsurance. XOL contracts entered into by the Company under which the Company is compensated for losses on one or more insurance contracts issued by the Company are classified as reinsurance contracts. The Company benefits from six programmes, one each for the Health and Travel products and four separate agreements to support the specialised Multi-line products which include personal accident, cycle, and wedding insurance. These programs are placed through brokers in the London market with participation from a panel of A rated reinsurers.   For the QS programme we strictly adhere to our appetite in terms of security of reinsurers with all our reinsurers being A-rated or better.

Claims Management Procedures
Claims management procedures utilised by AIL are broadly similar year on year and incorporate both direct and indirect costs associated with the management and settlement of claims.

D.3 Other Liabilities – balance sheet

Liabilities	Solvency II	UK GAAP	Variance
	£'000	£'000	£'000
Technical provisions non-life	57,168	158,036	(100,868)
Deferred tax liabilities	2,295	-	2,295
Insurance payables	7,723	12,091	(4,368)
Reinsurance payables	-	74,012	(74,012)
Payables trade not insurance	19,722	19,722	-
Other liabilities	-	-	-
Total liabilities	86,908	263,861	(176,953)
Excess of assets over liabilities	49,496	42,610	6,886

Table 13 Liabilities.

Insurance Payables
This balance represents cash flows to intermediaries and policyholders which are now due, profit share payable in future periods is restated under technical provisions non-life in the solvency II balance sheet.

Reinsurance Payables
Under UK GAAP, reinsurance balances include accounting accruals for expected recoveries from reinsurers. Under Solvency UK, future reinsurance cash flows are reflected within the valuation of reinsurance recoverables on a best estimate basis, taking into account the timing of those cash flows and, where applicable, discounting. Consequently, the remaining reinsurance payable balance predominantly reflects current obligations under reinsurance arrangements that have crystallised as at the reporting date, such as premium and settlement balances.

Deferred Tax Liability
A deferred tax liability of £2.3m is recognised within the balance sheet. A deferred tax liability is recognised on the differences between the valuations of assets and liabilities and their corresponding tax base.

Payables trade not insurance
Consist of amounts due to other Collinson Group companies including CISL in respect of administration and support services, the settlement of which is expected to occur imminently. In the valuation of liabilities other than technical provisions, there has been no adjustment in the valuation for changes in the credit standing of AIHL/AIL or AIL on a standalone basis.

D.4 Alternative methods for valuation
AIHL/AIL do not use any alternative methods for valuation of assets or liabilities.

D.5 Any other information / disclosures
There are no other material information relating to valuation of assets or other liabilities, and there have been no material changes in the valuation of assets or liabilities during the year.

E. Capital Management

E.1 Own Funds

AIHL/ AIL's objectives when managing capital are to comply with the insurance capital requirements required by the regulatory authorities and safeguard the Company's ability to provide adequate return to shareholders and benefits to other stakeholders by pricing insurance contracts commensurate with the level of risk. While recognising that the interests of both parties are different, we manage these by maintaining robust capital adequacy and optimising risk adjusted returns, while ensuring transparent engagement with both stakeholders,

AIHL/ AIL have in place financial planning and analysis procedures with respect to capital planning, issuance of capital and distribution of dividends. The main objective is to ensure that, through its capital management, both AIHL and AIL maintain sufficient capital to always cover regulatory capital requirements. This is attained through the yearly development of a business plan, summarising the goals and objectives for the following three years. As part of the strategic plan, the Board and Senior Management set financial targets and plans with respect to capital management.

AIHL/AIL both use the standard formula as the basis for calculating the SCR. There are no significant restrictions on the use or transfer of eligible own funds within the group to cover the group SCR. The funds are fully available and can be moved between group entities as needed. This is also noted in section E.2

In respect of the underwriting activities AIHL and AIL's position are identical and therefore the MCR position presented below is that of AIL's, but it would be identical for AIHL.

As at 30 April 2026, the Company closed with excess of assets over liabilities of £49,496K as per Solvency II valuation basis and an SCR coverage ratio of 152%. AIHL closed with excess of assets over liabilities of £49,496K as per Solvency II valuation basis and an SCR coverage ratio of 152%.

The own funds of AIL are made up of fully paid-up ordinary share capital and retained earnings which are both classified as unrestricted Tier 1 capital. These have been assessed in line with Chapters 3A and 3B of the Own Funds Part of the PRA Rulebook: SII: Solvency II UK Firms. As a result, the full amount of own funds is readily available to fully absorb any losses that should arise and are free of encumbrances. AIL does not have any transitional arrangements and does not currently have any ancillary own funds.

The own funds for AIHL are made up of fully paid-up ordinary share capital and retained earnings which are both classified as unrestricted Tier 1 capital. This is calculated on the consolidated data of AIHL and AIL, following method 1 under Chapter 11 of the Group Supervision part of the PRA Rulebook. There are **no material limitations or restrictions** affecting the transferability of own funds or fungibility of assets within the group.

The Company has no intention of changing the current structure of own funds.

AIHL/AIL classifies its own funds as Tier 1, Tier 2 or Tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses. In all cases below, the reconciliation reserve represents the Solvency II excess over assets over liabilities less the issued share capital.

For 2026 own funds for covering both the MCR and SCR as shown in Table 14 are £49,496k. For 2026 own funds consist entirely of Tier 1 capital.

Analysis of basic own funds (AIL)	**2026**	**2025**	**Variance**
	£'000	**£'000**	**£'000**
Share capital issued and fully paid	20,000	16,000	4,000
Reconciliation reserve	29,496	22,026	7,470
Basic own funds to cover the MCR	49,496	38,026	11,470
Deferred tax asset	-	-	-
Basic own funds to cover the SCR	49,496	38,026	11,470

Table 14 AIL own funds.

Analysis of basic own funds (AIHL)	**2026**	**2025**	**Variance**
	£'000	£'000	£'000
Share capital issued and fully paid	27,615	23,615	4,000
Reconciliation reserve	21,881	14,411	7,470
Basic own funds to cover the Minimum Consolidated SCR	49,496	38,026	11,470
Deferred tax asset	-	-	-
Basic own funds to cover the SCR	49,496	38,026	11,470

Table 15 AIHL own funds.

The movement between share capital and reserves as reflected in the AIL UK GAAP balance sheets as at 30th April 2026 and the excess of assets over liabilities as presented in the Group and Company balance sheets as at 30th April 2026 is presented in table 16.

Analysis of basic own funds (AIL)	**2026**	**2025**
UK GAAP	**£'000**	**£'000**
Issued share capital	20,000	16,000
Retained earnings	22,610	16,947
Total capital and reserves	**42,610**	**32,947**
Adjustments to move to SII valuation:		
Technical provisions & DAC, difference in valuation GAAP vs. SII	6,886	5,079
GAAP assets not recognised on the Solvency II balance sheet	-	-
GAAP liabilities not recognised on the Solvency II balance sheet	-	-
SII asset surplus (i.e. SII assets less SII liabilities)	**49,496**	**38,026**

Table 16 Analysis of basic own funds

Cash, cash equivalents and investments supporting own funds are valued at fair value, are readily convertible to known amounts of cash and are subject to insignificant risk of a change in value.

No own funds items are subject to transitional arrangements. At 30th April 2026 and at 30th April 2025, AIHL or AIL did not have any ancillary own funds. There are no restrictions affecting the transferability of own funds at a Group level.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

In the Executive Summary and Risk Profile sections of this document it is highlighted that the risk profile and underlying businesses of the Group and Company are the same, accordingly for the remainder of this section of the document no distinction between Group and Company is made.

Table 17 summaries the components of the MCR, as at 30th April 2026.

Minimum Capital Requirement	FY26	FY25	Variance
	£'000	£'000	£'000
Absolute floor MCR	3,500	3,495	5
Linear MCR	18,704	12,380	6,324
Lower Bound of MCR Corridor	8,167	5,399	2,768
Upper Bound of MCR Corridor	14,701	9,718	4,983
MCR	14,701	9,718	4,983

Table 17 Components of the MCR

Table 18 summaries the information on the inputs used by the firm to calculate the MCR

Minimum Capital Requirement (AIL)	Net Written Premium in Previous 12 months (t-1 to t0)	Net Best Estimate Technical Provisions
	£'000	£'000
Medical Expenses	64,521	23,172
Income Protection	12,827	5,125
Other Motor	29,565	4,820
Marine, Aviation and Transportation	2	3
Fire & Other Damage to Property	23,618	4,868
Assistance	46,854	15,687
Miscellaneous Financial Loss	6,999	1,386

Table 18 inputs used in the calculation of the MCR

As at 30 April 2026, the linear Minimum Capital Requirement (MCR), calculated based on the Net Written Premium over the previous 12 months and the Net Best Estimate Technical Provisions, amounts to £18.70m.

In accordance with Solvency II requirements, the MCR is subject to a prescribed corridor ranging from 25% to 45% of the Solvency Capital Requirement (SCR), which equates to a lower bound of £8.17m and an upper bound of £14.70m. As the linear MCR exceeds the upper limit of this corridor, the final MCR is capped at £14.70m in line with regulatory provisions.

AIHL/AIL has £49,496k of unrestricted own funds to cover the MCR, which generates a MCR coverage ratio of 337%.

AIHL/AIL both use the standard formula as the basis for calculating the SCR. During the year both the Group and the Company continue to keep under review the assumptions underpinning the standard formula and assessment that the continued use of the standard formula to calculate the SCR remains appropriate. No simplifications are applied to the standard formula.

AIHL/AIL's solvency position is calculated using method 1 (accounting consolidation-based method). No Group diversification effects arose on consolidation. Both the Group and Company held £49,496k of eligible unrestricted own funds to cover the SCR at 30 April 2026 (the SCR at 30 April 2026 is the same for both the Group and Company), both the Group and Company held sufficient capital to cover the SCR throughout the reporting period. The final amount of the SCR remains subject to supervisory assessment.

Table 19 contains the risk modules that comprise the Company's SCR of £32,669k as at 30 April 2026 (30 April 2025: £21,595k), after taking diversification credit. Own funds were £49,496k as at 30th April 2026 providing an SCR coverage ratio of 152%.

Risk	FY26	FY25	Movement
	£'000	£'000	£'000
Non-Life Underwriting	20,369	14,023	6,346
Health Underwriting	13,581	7,836	5,745
Market Risk	4,299	3,405	894
Counterparty Default	1,072	691	381
Undiversified BSCR	**39,321**	**25,955**	**13,366**
Diversification	(12,426)	(8,041)	(4,385)
Basic SCR	**26,895**	**17,914**	**8,981**
Operational Risk	8,069	5,374	2,695
LACDT	(2,295)	(1,693)	(602)
SCR	**32,669**	**21,595**	**11,074**
Own Funds	**49,496**	**38,026**	**11,470**
SCR Coverage Ratio	152%	176%	(24%)

Table 19 Risk modules

The SCR coverage ratio has reduced by 24% during the financial year to 30th April 2026.

Increase in Solvency Capital Requirement (SCR)
The increase in the Solvency Capital Requirement (SCR) is primarily attributable to a rise in Non-Life and Health Underwriting risks, which have increased by approximately £12.1m on a standalone basis. This increase is mainly driven by higher projected business volumes and a reduction in quota share reinsurance cover, both of which have contributed to premium and reserve risk.

Furthermore, the Health Catastrophe risk (i.e. Mass Accident) has been recalibrated for FY26, this has increased by c.£200k due to the higher premium of other Personal Accident products. Additionally, there has been an increase in lapse risk due to higher expected profits in uncollected premium.

Market risk has also increased by £894k primarily driven by the interest rate risk charge of c.£1.43m compared to c.£0.52m in FY25. This is due to the implementation of the investment strategy of AIL, together with higher premium asset, asset under management (AUM) and yield environment.

AIL's assets and liabilities are valued on a Solvency II basis, resulting in a deferred tax liability of £2.3m. In line with Solvency II requirements, a Loss-Absorbing Capacity of Deferred Taxes (LACDT) adjustment of £2.3m has been recognised within the SCR calculation. This reflects the extent to which losses arising under the 1-in-200-year stress scenario would reduce future tax liabilities, thereby absorbing a portion of the stressed losses and reducing AIL's Solvency Capital Requirement (SCR).

Operational risk has increased by £2.7m, broadly in line with the increase in the Basic SCR. The Operational Risk charge remains capped at 30% of the Basic SCR in accordance with Solvency II requirements.

The overall impact to the SCR is an increase of £11.1m.

The Eligible Own Funds have increased by £11.5m over the financial year, driven by profit on retained earned premium, investment returns and a £4m capital injection into AIL.

Based on the risk profile of AIL, the MCR calculated by using the liner method exceeds the MCR corridor, whose maximum is capped as 45% of the SCR. Therefore, the MCR increased from FY25 to FY26 due to the increase in the SCR itself.

Underwriting Specific Parameters (USPs) The Group/Company did not use any underwriting specific parameters in the standard formula calculation.

Capital add-on Neither AIL nor AIHL have a capital add on, as their risk profiles do not deviate significantly from the assumptions underpinning the calibration of the standard formula.

Loss absorbing capacity of deferred tax AIL's assets and liabilities are valued on a Solvency II basis, which gives rise to a tax liability of £2.3m, a Loss-Absorbing Capacity of Deferred Taxes (LACDT) has been recognised on the basis of offset against the DTL of £2.3m on the Solvency II balance sheet, reducing AIL's Solvency Capital Requirement (SCR).

E.3 Differences between the standard formula and any internal model used

An internal model has not been used by AIHL/AIL or AIL on a standalone basis. The standard formula has been used to calculate the SCR.

E.4 Non-compliance with the MCR and non-compliance with the SCR

During the financial year ended 30 April 2026 there were no instances during which the AIHL/AIL or AIL on a standalone basis were not compliant with both the MCR and SCR.

E.5 Any other information

Neither AIL, nor AIHL, have other material information to disclose.

Statement of Directors' Responsibilities

Approval by the Board of Directors, Financial year ended 30th April 2026.
The Directors are responsible for preparing the SFCR in accordance with the PRA rules. Each of the Directors, whose names and functions are listed in the Directors' Report section of the Report and Accounts, certify:

a) that the SFCR has been prepared in all material respects in accordance with the PRA rules,
b) we are satisfied that:
    I. throughout the financial year in question, the Group companies, Astrenska Insurance Limited and Astrenska Insurance Holdings Limited have complied in all material respects with the requirements of the PRA rules as applicable to the Group, and the insurance company, and
    II. it is reasonable to believe that the Group, and the insurance company have continued so to comply with the requirements of the PRA rules and will continue so to comply in future.

Approved by the AIL Board and signed on its behalf:

Paul Escott, Finance Director
Astrenska Insurance Holdings Limited / Astrenska Insurance Limited

Collinson Insurance

Auditor's Report and Opinion

Report of the independent external auditor to the Directors of Astrenska Insurance Holdings Limited ('the Group') pursuant to Rule 4.1(2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

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

Opinion

Except as stated below, we have audited the following documents prepared by Astrenska Insurance Holdings Limited ('the Group'), comprising of Astrenska Insurance Holdings Limited and the authorised insurance entity Astrenska Insurance Limited ('the Company') as at 30 April 2026**:**

- The 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Group Solvency and Financial Condition Report of the Group as at **30 April 2026**, (**'the Narrative Disclosures subject to audit'**); and
- Group templates of **Astrenska Insurance Holdings Limited** IR.02.01.02, IR.23.01.04, IR.25.04.22, IR.32.01.22 (**'the Group Templates subject to audit'**); and
- Company templates of **Astrenska Insurance Limited** IR.02.01.02, IR.17.01.02, IR.23.01.01, IR.25.04.21 and IR.28.01.01 (**'the Company Templates subject to audit'**).

The Narrative Disclosures subject to audit and the Group and Company Templates subject to audit are collectively referred to as the **'relevant elements of the Group Solvency and Financial Condition Report'**.

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

- The 'Summary', 'Business and Performance', 'System of Governance' and 'Risk Profile' sections of the Group Solvency and Financial Condition Report;
- Group templates IR.05.02.01 and IR.05.04.02;
- Company templates IR.05.02.01, IR.05.04.02, and IR.19.01.21; and
- The written acknowledgement by management of their responsibilities, including for the preparation of the Group Solvency and Financial Condition Report (**'the Responsibility Statement'**).

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

In our opinion, the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report of Astrenska Insurance Holdings Limited as at 30 April 2026 is prepared, in all material respects, in accordance with the financial reporting provisions of the Prudential Regulation Authority ('PRA') Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including 'ISA (UK) 800 *(Revised) Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks*' and 'ISA (UK) 805*(Revised) Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*', and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the relevant elements of the Group Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- Confirming our understanding of management's going concern assessment process and obtaining management's assessment which covers a period of 12 months from the date of signing of the relevant elements of the Group Solvency and Financial Condition Report;

- Verifying the accuracy and reasonableness of management's analysis by testing the inputs, assessing key assumptions and checking the clerical accuracy of the models used;

- Evaluating the solvency and liquidity position of the Company by reviewing base case solvency and liquidity projections for the Company as well as stress scenarios and forecast analysis prepared by management to understand how severe downside scenarios would have to be to result in the elimination of solvency and liquidity headroom. This included assessing:

  - The Company's operational, liquidity and capital support relationships with other entities within the Collinson Group, including the FCA regulated insurance distribution firm Collinson Insurance Services Limited, and the service Company Collinson IG (Management) Limited as well as other group entities; and

  - The sources of liquid funds available to the wider Collinson Group, together with mitigating actions that could be taken in the event of realistic downside stress scenarios and assessing the plausibility of available management actions to mitigate the impact of such key risks.

- Performing enquiries of management and those charged with governance to identify risks or events that may impact the Company's ability to continue as a going concern. We also reviewed management's assessment approved by the Board, minutes of meetings of the Board and made enquiries as to any subsequent events that may have a material impact on the business; and

- Assessing the appropriateness of the going concern disclosures by comparing the disclosures with management's assessment for compliance with the relevant reporting requirements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Company's ability to continue as a going concern for a period of 12 months from the date of signing of the relevant elements of the Group Solvency and Financial Condition Report.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Company's ability to continue as a going concern.

Emphasis of matter – basis of accounting and restriction on use

We draw attention to the 'Valuation for Solvency Purposes', 'Capital Management' sections of the Group Solvency and Financial Condition Report, which describe the basis of accounting. The Group Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Group Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Group Solvency and Financial Condition Report may not be suitable for another purpose.

This report is made solely to the Directors of the Group in accordance with Rule 2.1 of the External Audit Part of the PRA Rulebook for Solvency II firms. Our work has been undertaken so that we might report to the Directors those matters that we have agreed to state to them in this report and for no other purpose.

Our opinion is not modified in respect of these matters.

Other information

The Directors are responsible for the Other Information contained within the Group Solvency and Financial Condition Report.

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

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

Responsibilities of Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules.

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

In preparing the Group Solvency and Financial Condition Report, the Directors are responsible for assessing the Group and Company's ability to continue in operation, disclosing as applicable, matters related to its ability to continue in operation and using the going concern basis of accounting unless the Directors either intend to cease to operate the Group or Company, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the relevant elements of the Group Solvency and Financial Condition Report

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

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the relevant elements of the Group Solvency and Financial Condition Report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance and management of the Group and Company.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are the relevant laws and regulations related to elements of the provisions of PRA rules, company law and tax legislation, and the financial reporting framework. Our consideration of other laws and regulations that may have a material effect on the relevant elements of the SFCR included authorisation conditions and regulatory requirements of the regulators of the regulated business carried out by the Group which include the PRA and the Financial Conduct Authority ('FCA')

- We understood how the Group is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance matters. We also reviewed correspondence between the Group and regulatory bodies, reviewed minutes of the Board and its committees and gained an understanding of the Group's approach to governance.
- We assessed the susceptibility of the Group and Company's financial statements to material misstatement, including how fraud might occur by considering the controls that the Group has established to address risks identified by the Group, or that otherwise seek to prevent, deter or detect fraud. We also considered areas of significant judgement, including complex transactions, performance targets, external pressures and the impact these have on the control environment and their potential to influence management to manage earnings or influence the perceptions of investors and stakeholders. The fraud risk was considered to be higher within the valuation of gross Solvency II Technical Provisions and calculation of the SCR.

  Our audit procedures included:

    - Reviewing accounting estimates for evidence of management bias. We assessed if there were any indicators of management bias in the valuation of Solvency II Technical Provisions and calculation of the SCR, which included the support of our actuaries;

    - Evaluating the business rationale for significant and/or unusual transactions; and

    - In addition, we performed analytical review procedures to assess for unusual movements throughout the year. Our audit procedures also incorporated unpredictability into the nature, timing and extent of our testing.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of those charged with governance and senior management for their awareness of any non-compliance with laws or regulations; enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees at the Group level; enquiring about the Group's methods of enforcing and monitoring compliance with such policies; and inspecting significant correspondence with the FCA and the PRA.

- The Group operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor responsible for the audit considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report on the Group Solvency and Financial Condition Report.

Report on Other Legal and Regulatory Requirements

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

Ernst & Young LLP
London
06 August 2026

Appendix

Appendix 1 - Quantitative Reporting Templates (QRTs)

Astrenska Insurance Holdings Limited (AIHL)

General Information	
Participating Undertaking name	Astrenska Insurance Holdings Limited
Group identification code	LEI/213800GWL93FZHBJ7H18
Country of the group supervisor	GB
Sub-group information	No Sub-group information
Language of reporting	EN
Reporting reference date	30/04/2026
Currency used for reporting	GBP
Accounting standards	This Group is using UK GAAP
Method of Calculation of the group SCR	Standard formula
Use of group specific parameters	No use of Group specific parameters
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on the technical provisions

List of Reported Templates (AIHL)	
IR.02.01.02	Balance Sheet
IR.05.02.01	Premiums, claims and expenses by country
IR.05.04.02	Non-life income and expenditure
IR.23.01.04	Own Funds
IR.25.04.22	Solvency Capital Requirement
IR.32.01.22	Undertakings in the scope of the group

Collinson Insurance

Balance sheet

IR.02.01.02

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0
Deferred tax assets	R0040	0
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	122,066
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	0
Equities - listed	R0110	0
Equities - unlisted	R0120	0
Bonds	R0130	0
Government Bonds	R0140	0
Corporate Bonds	R0150	0
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	122,066
Derivatives	R0190	0
Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	0
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	985
Non-life and health similar to non-life	R0280	985
Life and health similar to life, excluding index-linked and unit-linked	R0315	0
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	8,451
Reinsurance receivables	R0370	383
Receivables (trade, not insurance)	R0380	0
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	4,481
Any other assets, not elsewhere shown	R0420	38
Total assets	R0500	136,404
Liabilities		
Technical provisions - total	R0505	57,168
Technical provisions - non-life	R0510	57,168
Technical provisions - life	R0515	0

Best estimate - total	R0542	56,046
Best estimate - non-life	R0544	56,046
Best estimate - life	R0546	0
Risk margin - total	R0552	1,122
Risk margin - non-life	R0554	1,122
Risk margin - life	R0556	0
Transitional (TMTP) - life	R0565	0
Other technical provisions	R0730	
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	2,295
Derivatives	R0790	0
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	7,723
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	19,722
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Any other liabilities, not elsewhere shown	R0880	0
Total liabilities	R0900	86,908
Excess of assets over liabilities	R1000	49,496

Premiums, claims and expenses by country

Non-life obligations

IR.05.02.01

		Home country	Total Top 5 and home country
		C0080	C0140
Premiums written			
Gross - Direct Business	R0110	354,001	354,001
Gross - Proportional reinsurance accepted	R0120	0	0
Gross - Non-proportional reinsurance accepted	R0130	0	0
Reinsurers' share	R0140	174,474	174,474
Net	R0200	179,527	179,527
Premiums earned			
Gross - Direct Business	R0210	339,969	339,969
Gross - Proportional reinsurance accepted	R0220	0	0
Gross - Non-proportional reinsurance accepted	R0230	0	0
Reinsurers' share	R0240	174,494	174,494
Net	R0300	165,475	165,475
Claims incurred			
Gross - Direct Business	R0310	111,799	111,799
Gross - Proportional reinsurance accepted	R0320	0	0
Gross - Non-proportional reinsurance accepted	R0330	0	0
Reinsurers' share	R0340	50,216	50,216
Net	R0400	61,583	61,583
Net expenses incurred	R0550	100,741	100,741

Collinson Insurance

Non-life income and expenditure

IR.05.04.02

		All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)								
			All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)							
				Line of Business for: non-life insurance and accepted proportional reinsurance obligations						
				Medical expense insurance	Income protection insurance	Motor vehicle other motor insurance - personal lines	Marine, aviation and transport insurance	Fire and other damage to property insurance - personal lines	Assistance	Miscellaneous financial loss
		C0010	C0015	C0110	C0120	C0150	C0160	C0170	C0250	C0260
Income										
Premiums written										
Gross written premiums	R0110		356,004	111,023	23,323	85,109	24	39,829	79,993	16,703
Gross written premiums - insurance (direct)	R0111		354,001	110,307	23,323	85,109	24	39,829	78,706	16,703
Gross written premiums - accepted reinsurance	R0113		2,003	716	0	0	0	0	1,287	0
Net written premiums	R0160		184,386	64,521	12,827	29,565	2	23,618	46,854	6,999
Premiums earned and provision for unearned										
Gross earned premiums	R0210		341,897	105,658	22,832	81,745	31	39,644	75,930	16,057
Net earned premiums	R0220		166,622	56,868	12,098	26,877	3	22,693	41,643	6,440
Expenditure										
Claims incurred										
Gross (undiscounted) claims incurred	R0610		112,476	46,608	4,592	11,272	12	10,662	34,145	5,185
Gross (undiscounted) claims incurred - insurance (direct)	R0611		111,799	46,521	4,592	11,272	12	10,662	33,555	5,185
Gross (undiscounted) claims incurred - accepted reinsurance	R0612		677	87	0	0	0	0	590	0
Net (undiscounted) claims incurred	R0690		61,987	26,101	2,198	5,885	1	6,414	19,325	2,063
Net (discounted) claims incurred	R0730	61,987	61,987							
Analysis of expenses incurred										
Technical expenses incurred net of reinsurance ceded	R0910	101,365								
Acquisition costs, commissions, claims management costs	R0985	101,311	101,311	29,365	9,788	20,689	2	15,953	21,270	4,244
Other expenditure										
Other expenses	R1140	21								
Total expenditure	R1310	165,261								

Own funds

IR.23.01.04

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	27,615	27,615			
Non-available called but not paid in ordinary share capital at group level	R0020	0				
Share premium account related to ordinary share capital	R0030	0				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Non-available subordinated mutual member accounts at group level	R0060	0				
Surplus funds	R0070	0				
Non-available surplus funds at group level	R0080	0				
Preference shares	R0090	0				
Non-available preference shares at group level	R0100	0				
Share premium account related to preference shares	R0110	0				
Non-available share premium account related to preference shares at group level	R0120	0				
Reconciliation reserve	R0130	21,881	21,881			
Subordinated liabilities	R0140	0				
Non-available subordinated liabilities at group level	R0150	0				
An amount equal to the value of net deferred tax assets	R0160	0				
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0				
Other items approved by the supervisory authority as basic own funds not specified above	R0180	0				
Non available own funds related to other own funds items approved by supervisory authority	R0190	0				
Minority interests (if not reported as part of a specific own fund item)	R0200	0				
Non-available minority interests at group level	R0210	0				
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						

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	R0220					
Deductions						
Deductions for participations where there is non-availability of information	R0250	0				
Deduction for participations included by using D&A when a combination of methods is used	R0260	0				
Total of non-available own fund items	R0270	0				
Total deductions	R0280	0				
Total basic own funds after deductions	R0290	49,496	49,496	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees	R0340	0				
Letters of credit and guarantees other	R0350	0				
Supplementary members calls	R0360	0				
Supplementary members calls - other	R0370	0				
Non available ancillary own funds at group level	R0380	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410	0				
Institutions for occupational retirement provision	R0420	0				
Non regulated entities carrying out financial activities	R0430	0				
Total own funds of other financial sectors	R0440					
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450					
Own funds aggregated when using the D&A and combination of method net of IGT	R0460					
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	49,496	49,496	0	0	0
Total available own funds to meet the minimum consolidated group SCR	R0530					

Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	49,496	49,496			
Total eligible own funds to meet the minimum consolidated group SCR	R0570	49,496	49,496	0		
Consolidated Group SCR	R0590	32,669				
Minimum consolidated Group SCR	R0610	14,701				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	R0630	1.52				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	3.37				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	49,496	49,496	0	0	
SCR for entities included with D&A method	R0670					
Group SCR	R0680	32,669				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1.52				

Reconciliation reserve

IR.23.01.04.02

		c
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	49,496
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Deductions for participations in financial and credit institutions	R0725	
Other basic own fund items	R0730	27,615
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Other non available own funds	R0750	
Reconciliation reserve	R0760	21,881

Solvency Capital Requirement

IR.25.04.22

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	4,299
Interest rate risk	R0070	1,426
Equity risk	R0080	92
Property risk	R0090	0
Spread risk	R0100	3,905
Concentration risk	R0110	160
Currency risk	R0120	214
Other market risk	R0125	0
Diversification within market risk	R0130	-1,498
Counterparty default risk	R0180	1,072
Type 1 exposures	R0150	832
Type 2 exposures	R0160	296
Other counterparty risk	R0165	0
Diversification within counterparty default risk	R0170	-56
Life underwriting risk	R0270	0
Mortality risk	R0190	0
Longevity risk	R0200	0
Disability-Morbidity risk	R0210	0
Life-expense risk	R0220	0
Revision risk	R0230	0
Lapse risk	R0240	0
Life catastrophe risk	R0250	0
Other life underwriting risk	R0255	0
Diversification within life underwriting risk	R0260	0
Total health underwriting risk	R0320	13,581
Health SLT risk	R0280	0
Health non SLT risk	R0290	13,380
Health catastrophe risk	R0300	730
Other health underwriting risk	R0305	0
Diversification within health underwriting risk	R0310	-529
Non-life underwriting risk	R0370	20,369
Non-life premium and reserve risk (ex catastrophe risk)	R0330	19,965
Non-life catastrophe risk	R0340	1,318
Lapse risk	R0350	1,192
Other non-life underwriting risk	R0355	0
Diversification within non-life underwriting risk	R0360	-2,106
Intangible asset risk	R0400	0
Operational and other risks	R0430	8,069
Operational risk	R0422	8,069
Other risks	R0424	0
Total before all diversification	R0432	51,579
Total before diversification between risk modules	R0434	47,390
Diversification between risk modules	R0436	-12,426
Total after diversification	R0438	34,964
Loss-absorbing capacity of technical provisions	R0440	0
Loss-absorbing capacity of deferred taxes	R0450	-2,295
Other adjustments	R0455	0
Solvency capital requirement including undisclosed capital add-on	R0460	32,669

Disclosed capital add-on - excluding residual model limitation	R0472	0
Disclosed capital add-on - residual model limitation	R0474	0
Solvency Capital Requirement including capital add-on	R0480	32,669
Biting interest rate scenario	R0490	Decrease
Biting life lapse scenario	R0495	
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	R0530	0
Capital requirement for non-controlled participation requirements	R0540	0
Capital requirement for residual undertakings	R0550	0
Overall SCR		
Solvency capital requirement (consolidation method)	R0555	32,669
SCR for undertakings included via D and A	R0560	0
SCR for sub-groups included via D and A	R0565	0
Solvency capital requirement	R0570	32,669

Undertakings in the scope of the group

IR.32.01.22

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
							% capital share	% used for establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for the group solvency calculation	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138008DN13KCEAE2Q93	GB	Astrenska Insurance Limited	Non-life insurance undertaking	Companies limited by shares	Non mutual	Prudential Regulation Authority	100.00	100.00	100.00		Dominant	100.00	Included in the Scope		Method 1: Full consolidation
LEI/213800GWL93FZHBJ7H18	GB	Astrenska Insurance Holdings Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Companies limited by shares	Non mutual								Included in the Scope		Method 1: Full consolidation

Collinson Insurance

Astrenska Insurance Limited (AIL)

General Information	
Participating Undertaking name	Astrenska Insurance Limited
Entity identification code	LEI/2138008DN13KCEAE2Q93
Country of the Entity	GB
Language of reporting	EN
Reporting reference date	30/04/2026
Currency used for reporting	GBP
Accounting standards	This Entity is using UK GAAP
Method of Calculation of the Solo SCR	Standard formula
Use of specific parameters	No use of specific parameters
Method of solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on the technical provisions

List of Reported Templates (AIL)	
IR.02.01.02	Balance Sheet
IR.05.02.01	Premiums, claims and expenses by country
IR.05.04.02	Non-life income and expenditure
IR.17.01.02	Non-life Technical Provisions
IR.19.01.21	Non-life Insurance Claims Information
IR.23.01.01	Own funds
IR.25.04.21	Solvency Capital Requirement
IR.28.01.01	Minimum Capital Requirement - Only non-life insurance or reinsurance activity

Balance sheet

IR.02.01.02

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0
Deferred tax assets	R0040	0
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	122,066
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	0
Equities - listed	R0110	0
Equities - unlisted	R0120	0
Bonds	R0130	0
Government Bonds	R0140	0
Corporate Bonds	R0150	0
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	122,066
Derivatives	R0190	0
Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	0
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	985
Non-life and health similar to non-life	R0280	985
Life and health similar to life, excluding index-linked and unit-linked	R0315	0
Life index-linked and unit-linked	R0340	0
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Insurance and intermediaries receivables	R0360	8,451
Reinsurance receivables	R0370	383
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Own shares (held directly)	R0390	0
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Cash and cash equivalents	R0410	4,481
Any other assets, not elsewhere shown	R0420	38
Total assets	R0500	136,404
Liabilities		
Technical provisions - total	R0505	57,168
Technical provisions - non-life	R0510	57,168
Technical provisions - life	R0515	0
Best estimate - total	R0542	56,046
Best estimate - non-life	R0544	56,046
Best estimate - life	R0546	0

Risk margin - total	R0552	1,122
Risk margin - non-life	R0554	1,122
Risk margin - life	R0556	0
Transitional (TMTP) - life	R0565	0
Other technical provisions	R0730	
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	2,295
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Any other liabilities, not elsewhere shown	R0880	0
Total liabilities	R0900	86,908
Excess of assets over liabilities	R1000	49,496

Collinson Insurance

Premiums, claims and expenses by country

Non-life obligations

IR.05.02.01

		Home country	Total Top 5 and home country
		C0080	C0140
Premiums written			
Gross - Direct Business	R0110	354,001	354,001
Gross - Proportional reinsurance accepted	R0120	0	0
Gross - Non-proportional reinsurance accepted	R0130	0	0
Reinsurers' share	R0140	174,474	174,474
Net	R0200	179,527	179,527
Premiums earned			
Gross - Direct Business	R0210	339,969	339,969
Gross - Proportional reinsurance accepted	R0220	0	0
Gross - Non-proportional reinsurance accepted	R0230	0	0
Reinsurers' share	R0240	174,494	174,494
Net	R0300	165,475	165,475
Claims incurred			
Gross - Direct Business	R0310	111,799	111,799
Gross - Proportional reinsurance accepted	R0320	0	0
Gross - Non-proportional reinsurance accepted	R0330	0	0
Reinsurers' share	R0340	50,216	50,216
Net	R0400	61,583	61,583
Net expenses incurred	R0550	100,741	100,741

Collinson Insurance

Non-life income and expenditure

IR.05.04.02

		All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)								
			All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)							
				Line of Business for: non-life insurance and accepted proportional reinsurance obligations						
				Medical expense insurance	Income protection insurance	Motor vehicle other motor insurance - personal lines	Marine, aviation and transport insurance	Fire and other damage to property insurance - personal lines	Assistance	Miscellaneous financial loss
		C0010	C0015	C0110	C0120	C0150	C0160	C0170	C0250	C0260
Income										
Premiums written										
Gross written premiums	R0110		356,004	111,023	23,323	85,109	24	39,829	79,993	16,703
Gross written premiums - insurance (direct)	R0111		354,001	110,307	23,323	85,109	24	39,829	78,706	16,703
Gross written premiums - accepted reinsurance	R0113		2,003	716	0	0	0	0	1,287	0
Net written premiums	R0160		184,386	64,521	12,827	29,565	2	23,618	46,854	6,999
Premiums earned and provision for unearned										
Gross earned premiums	R0210		341,897	105,658	22,832	81,745	31	39,644	75,930	16,057
Net earned premiums	R0220		166,622	56,868	12,098	26,877	3	22,693	41,643	6,440
Expenditure										
Claims incurred										
Gross (undiscounted) claims incurred	R0610		112,476	46,608	4,592	11,272	12	10,662	34,145	5,185
Gross (undiscounted) claims incurred - insurance (direct)	R0611		111,799	46,521	4,592	11,272	12	10,662	33,555	5,185
Gross (undiscounted) claims incurred - accepted reinsurance	R0612		677	87	0	0	0	0	590	0
Net (undiscounted) claims incurred	R0690		61,987	26,101	2,198	5,885	1	6,414	19,325	2,063
Net (discounted) claims incurred	R0730	61,987	61,987							
Analysis of expenses incurred										
Technical expenses incurred net of reinsurance ceded	R0910	101,365								
Acquisition costs, commissions, claims management costs	R0985	101,311	101,311	29,365	9,788	20,689	2	15,953	21,270	4,244
Other expenditure										
Other expenses	R1140	21								
Total expenditure	R1310	165,261								

Non-life technical provisions

IR.17.01.02

		Direct business and accepted proportional reinsurance							Total Non-Life obligation
		Medical expense insurance	Income protection insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	Assistance	Miscellaneous financial loss	
		C0020	C0030	C0060	C0070	C0080	C0120	C0130	C0180
Best estimate									
Premium provisions									
Gross - Total	R0060	6,628	746	2,527	0	2,342	5,282	293	17,818
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-7,239	-1,908	-1,207	-3	-1,101	-4,592	-587	-16,637
Net Best Estimate of Premium Provisions	R0150	13,867	2,654	3,734	3	3,443	9,874	880	34,455
Claims provisions									
Gross - Total	R0160	16,794	5,266	2,188	3	2,453	10,472	1,052	38,228
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	7,489	2,795	1,102	3	1,028	4,659	546	17,622
Net Best Estimate of Claims Provisions	R0250	9,305	2,471	1,086	0	1,425	5,813	506	20,606
Total Best estimate - gross	R0260	23,422	6,012	4,715	3	4,795	15,754	1,345	56,046
Total Best estimate - net	R0270	23,172	5,125	4,820	3	4,868	15,687	1,386	55,061
Risk margin	R0280	260	130	188	0	175	268	101	1,122
Technical provisions - total (best estimate plus risk margin)									
Technical provisions - total	R0320	23,682	6,142	4,903	3	4,970	16,022	1,446	57,168
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	250	887	-105	0	-73	67	-41	985
Technical provisions minus RECOVERAB from reinsurance/SPV and Finite Re- total	R0340	23,432	5,255	5,008	3	5,043	15,955	1,487	56,183

Total (no breakdown by currency)
Non-life claim development
IR.19.01.21

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

		Development Year											
		0	1	2	3	4	5	6	7	8	9	10	11+
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
Prior	R0100												-1
N-10	R0150	323	12,925	8,580	1,765	408	95	19	24	2	-21	-8	
N-9	R0160	576	12,807	10,381	2,522	104	-39	5	3	0	-15		
N-8	R0170	501	10,895	9,274	1,019	36	23	18	11	3			
N-7	R0180	415	5,632	5,826	1,751	41	9	-30	-26				
N-6	R0190	198	2,293	4,527	988	-12	4	0					
N-5	R0200	429	5,302	8,661	1,250	225	49						
N-4	R0210	190	32,747	32,177	2,434	158							
N-3	R0220	636	48,461	29,308	1,865								
N-2	R0230	1,207	51,821	31,069									
N-1	R0240	1,639	62,641										
N	R0250	1,958											

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		In Current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100	-1	58,140
N-10	R0150	-8	24,112
N-9	R0160	-15	26,344
N-8	R0170	3	21,780
N-7	R0180	-26	13,618
N-6	R0190	0	7,998
N-5	R0200	49	15,916
N-4	R0210	158	67,706
N-3	R0220	1,865	80,270
N-2	R0230	31,069	84,097
N-1	R0240	62,641	64,280
N	R0250	1,958	1,958
Total	R0260	97,693	466,219

Gross undiscounted Best Estimate Claims Provisions - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	11+
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0350
Prior	R0100												0
N-10	R0150										10	17	
N-9	R0160									1	7		
N-8	R0170								203	221			
N-7	R0180							0	0				
N-6	R0190						19	15					
N-5	R0200					158	80						
N-4	R0210				749	218							
N-3	R0220			2,529	920								
N-2	R0230		17,529	6,619									
N-1	R0240	3,600	27,386										
N	R0250	3,493											

Gross discounted Best Estimate Claims Provisions - Current year

		Year end (discounted data)
		C0360
Prior	R0100	0
N-10	R0150	17
N-9	R0160	7
N-8	R0170	220
N-7	R0180	0
N-6	R0190	15
N-5	R0200	80
N-4	R0210	215
N-3	R0220	888
N-2	R0230	6,511
N-1	R0240	26,906
N	R0250	3,369
Total	R0260	38,228

Gross premium

		Gross earned premium at reporting reference date	Estimate of future gross earned premium
		C0570	C0580
Prior	R0100		
N-9	R0160	0	0
N-8	R0170	0	0
N-7	R0180	0	0
N-6	R0190	2	0
N-5	R0200	0	2
N-4	R0210	24	-2
N-3	R0220	1,034	47
N-2	R0230	67,752	1,494
N-1	R0240	254,151	68,755
N	R0250	17,005	47,642

Own funds

IR.23.01.01

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	20,000	20,000		0	
Share premium account related to ordinary share capital	R0030	0	0		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Surplus funds	R0070	0	0			
Preference shares	R0090	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Reconciliation reserve	R0130	29,496	29,496			
Subordinated liabilities	R0140	0		0	0	0
An amount equal to the value of net deferred tax assets	R0160	0				0
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0
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						
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	R0220	0				
Total basic own funds	R0290	49,496	49,496	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0			0	
Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees	R0340	0			0	
Letters of credit and guarantees other	R0350	0			0	0
Supplementary members calls	R0360	0			0	
Supplementary members calls - other	R0370	0			0	0
Other ancillary own funds	R0390	0			0	0
Total ancillary own funds	R0400	0			0	0
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	49,496	49,496	0	0	0

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Total available own funds to meet the MCR	R0510	49,496	49,496	0	0	
Total eligible own funds to meet the SCR	R0540	49,496	49,496	0	0	0
Total eligible own funds to meet the MCR	R0550	49,496	49,496	0	0	
SCR	R0580	32,669				
MCR	R0600	14,701				
Ratio of Eligible own funds to SCR	R0620	1.52				
Ratio of Eligible own funds to MCR	R0640	3.37				

Reconciliation reserve

IR.23.01.01.02

		C
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	49,496
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Deductions for participations in financial and credit institutions	R0725	0
Other basic own fund items	R0730	20,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Reconciliation reserve	R0760	29,496

Solvency Capital Requirement

IR.25.04.21

		C
		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	4,299
Interest rate risk	R0070	1,426
Equity risk	R0080	92
Property risk	R0090	0
Spread risk	R0100	3,905
Concentration risk	R0110	160
Currency risk	R0120	214
Other market risk	R0125	0
Diversification within market risk	R0130	-1,498
Counterparty default risk	R0180	1,072
Type 1 exposures	R0150	832
Type 2 exposures	R0160	296
Other counterparty risk	R0165	0
Diversification within counterparty default risk	R0170	-56
Life underwriting risk	R0270	0
Mortality risk	R0190	0
Longevity risk	R0200	0
Disability-Morbidity risk	R0210	0
Life-expense risk	R0220	0
Revision risk	R0230	0
Lapse risk	R0240	0
Life catastrophe risk	R0250	0
Other life underwriting risk	R0255	0
Diversification within life underwriting risk	R0260	0
Total health underwriting risk	R0320	13,581
Health SLT risk	R0280	0
Health non SLT risk	R0290	13,380
Health catastrophe risk	R0300	730
Other health underwriting risk	R0305	0
Diversification within health underwriting risk	R0310	-529
Non-life underwriting risk	R0370	20,369
Non-life premium and reserve risk (ex catastrophe risk)	R0330	19,965
Non-life catastrophe risk	R0340	1,318
Lapse risk	R0350	1,192
Other non-life underwriting risk	R0355	0
Diversification within non-life underwriting risk	R0360	-2,106
Intangible asset risk	R0400	0
Operational and other risks	R0430	8,069
Operational risk	R0422	8,069
Other risks	R0424	0
Total before all diversification	R0432	51,579
Total before diversification between risk modules	R0434	47,390
Diversification between risk modules	R0436	-12,426
Total after diversification	R0438	34,964
Loss-absorbing capacity of technical provisions	R0440	0
Loss-absorbing capacity of deferred taxes	R0450	-2,295
Other adjustments	R0455	0
Solvency capital requirement including undisclosed capital add-on	R0460	32,669

Disclosed capital add-on - excluding residual model limitation	R0472	0
Disclosed capital add-on - residual model limitation	R0474	0
Solvency capital requirement including capital add-on	R0480	32,669
Biting interest rate scenario	R0490	Decrease
Biting life lapse scenario	R0495	0

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

Minimum Capital Requirement - Only life or only non-life activity - Linear formula component for non-life insurance and reinsurance obligations

IR.28.01.01

		MCR components
		C0010
MCRNL Result	R0010	18,704

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	23,172	64,521
Income protection insurance and proportional reinsurance	R0030	5,125	12,827
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	0	0
Other motor insurance and proportional reinsurance	R0060	4,820	29,565
Marine, aviation and transport insurance and proportional reinsurance	R0070	3	2
Fire and other damage to property insurance and proportional reinsurance	R0080	4,868	23,618
General liability insurance and proportional reinsurance	R0090	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	0	0
Assistance and proportional reinsurance	R0120	15,687	46,854
Miscellaneous financial loss insurance and proportional reinsurance	R0130	1,386	6,999
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0

Minimum Capital Requirement - Only life or only non-life activity - Linear formula component for life insurance and reinsurance obligations

		C
		C0040
MCRL Result	R0200	0

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	0	
Obligations with profit participation - future discretionary benefits	R0220	0	
Index-linked and unit-linked insurance obligations	R0230	0	

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Other life (re)insurance and health (re)insurance obligations	R0240	0	
Total capital at risk for all life (re)insurance obligations	R0250		0

Minimum Capital Requirement - Only life or only non-life activity - Overall MCR calculation

		C
		C0070
Linear MCR	R0300	18,704
SCR	R0310	32,669
MCR cap	R0320	14,701
MCR floor	R0330	8,167
Combined MCR	R0340	14,701
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	R0400	14,701

Glossary

Glossary

Item	Description
AFR	Actuarial Function Report
AIHL	Astrenska Insurance Holdings Limited
AIL	Astrenska Insurance Limited
AOF	Ancillary Own Funds
AP	Approved Persons
AR's	Appointed Representatives
ARCC	Audit, Risk and Compliance Committee
BBNI	Bound But Not Incepted
BEL	Best Estimate Liabilities
Board	AIL / AIHL Board
BOF	Basic Own Funds
BSCR	Base Solvency Capital Requirement
CF	Controlled Function
CIEL	Collinson Insurance Europe Limited
CIHL	Collinson Insurance Holdings Limited
CISL	Collinson Insurance Services Limited
Collinson	The Collinson Group
COO	Chief Operating Officer
CV	Curriculum Vitae
DBS	Disclosure and Barring Services
EBS	Economic Balance Sheet

ENID	Events Not In Data
FCA	Financial Conduct Authority
FLOD	First Line of Defence
GWP	Gross Written Premium
FRS	Financial Reporting Standards
GAAP	UK General Accepted Accounting Principles
I&A	Insurance and Assistance Division
MCR	Minimum Capital Requirement
MI	Management Information
NED	Non-Executive Director
ORSA	Own Risk and Solvency Assessment
PGC	Product Governance Committee
PRA	Prudential Regulation Authority
QRT	Quantitative Reporting Template
SCR	Solvency Capital Requirement
SII	Solvency II
SIMF	Senior Insurance Manager Function
SLOD	Second Line of Defence
SPV	Special Purpose Vehicle
TP's	Technical Provision
UEPR	Unearned Premium
UK	United Kingdom
USP	Undertaking Specific Parameters

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