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Korean Reinsurance Switzerland AG

Financial Condition Report

1 January 2024 – 31 December 2024

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Contents

Management Summary

Korean Reinsurance Switzerland AG ("KRSA" or "Company") is a 100% owned subsidiary of Korean Reinsurance Company, Seoul, Republic of Korea ("Korean Re" or "Group"). KRSA operates as an FINMA regulated Swiss reinsurance company, and therefore establishes this Financial Condition Report to meet the regulatory requirements set out in FINMA Circular 2016/2 "Disclosure - insurers".

Section A summarizes KRSA's business activities in the year 2024.

Section B addresses the most important figures relating to premium income, benefits and investment results in more detail. At the end of 2024, KRSA reported a net loss after taxes of EUR 5.3m and its statutory assets amounted to EUR 554.4m.

Section C describes how the Board of Directors, the Executive Management, the Internal Audit, the Risk Management and Compliance functions as well as the Responsible Actuary are ensuring an effective corporate governance. KRSA`s Risk Management function forms an integral part of the corporate governance and is based on the three lines of defense model. The Risk Management Committee is responsible for the implementation of the Risk Management process and defines a risk strategy derived from the business strategy. The results of KRSA`s ORSA process are incorporated into KRSA's strategic decisions.

Section D provides an overview of the risk profile of KRSA. In the Swiss Solvency Test (SST), the insurance risk, the market risk and the credit risk are calculated by an Expected Shortfall approach with a confidence level of 99% over a one-year time horizon. All other risk categories are assessed qualitatively. The major risks of the overall risk profile are reported to the Board of Directors on a quarterly basis.

Section E shows the statutory balance sheet and market consistent balance sheet as of 1 January 2025. KRSA's market consistent assets amount to EUR 491.9m and consist of the reinsurer's share of technical provisions (41%), investments (27%), reinsurance receivables (18%), cash (9%) and other positions (5%) like other assets and deposits. The liabilities amount to EUR 418.7m. The adjustments from the statutory balance sheet to the market consistent balance sheet are described in detail.

Section F outlines KRSA's capital management which is based on its risk appetite (defined by the SST ratio), the risk preferences per risk type and the maintenance of the S&P 'A' rating. KRSA's target range for the SST ratio is 120-150%. There was no capital increase in KRSA's fifth business year. The structure, level and quality of KRSA`s equity capital are also shown.

Section G shows the result of KRSA's SST performed as of 1 January 2025. With an SST ratio of 164% KRSA is sufficiently capitalized. The SST calculations result in a Target Capital of EUR 44.5m. The Risk Bearing Capital amounts to EUR 73.1m. Reserve Risk is the largest component of the Target Capital. The solvency information in this report corresponds to that submitted to FINMA with KRSA's SST report and is still subject to regulatory review.

Section H refers to the external auditor's summary report.

A. Business Activities

Korean Reinsurance Company, Seoul, founded Korean Reinsurance Switzerland AG on 12 July 2018 with the goal to strengthen its European presence. KRSA focuses on Continental European non-life treaty business. KRSA received its C1 reinsurance license from FINMA with the effective date of 1 June 2019. Standard & Poor's reconfirmed the 'A credit rating with outlook positive' in August 2024.

Europe's macroeconomic landscape in 2024 remained mixed, with some countries showing resilience amid global uncertainties, while others continued to face sluggish growth and structural headwinds. Despite ongoing monetary policy measures, concerns persisted around inflation, labor market dynamics, and fiscal sustainability. Toward the end of the year, sentiment improved as inflation showed a declining trend, prompting market expectations of future interest rate cuts. However, both the European Central Bank and the U.S. Federal Reserve maintained interest rates at elevated levels. These monetary policy developments and shifting growth expectations contributed to increased exchange rate volatility.

For KRSA, these conditions supported an acceleration of corporate bond investments, with EUR 30m in new acquisitions during the year. Meanwhile, the market value of bonds acquired prior to 2022 remained subdued.

KRSA remains committed to evolving its portfolio in alignment with its long-term strategic ambitions. Following three years of elevated natural catastrophe activity and associated losses, the 2024 underwriting year marks a turning point. It demonstrates portfolio stabilization and a return to underwriting profitability - driven by disciplined underwriting, improved contract terms, and enhanced portfolio diversification.

Looking ahead, KRSA will continue to reduce its reliance on property catastrophe business by expanding into other non-life lines such as Motor, Casualty, Cyber and other specialty lines. These areas are increasingly core to the company's strategic positioning, helping to build resilience against market cycles and improve the quality of earnings.

Ernst & Young Ltd, Maagplatz 1, 8010 Zürich, is KRSA's external auditor.

B. Performance

For the year 2024, KRSA reported a net loss after taxes of EUR 5.3 and its assets amounted to EUR 554.3m (book value). Compared to 2023, Gross written premiums (GWP) increased by 2% to EUR 175.1m in 2024, representing a relatively stable portfolio size. In the 2024 renewals KRSA was able to further improve technical terms and conditions successfully, particularly in Motor, Property and Engineering and took a selective approach to natural catastrophe reinsurance (NatCat). Despite a slight increase in NatCat capacity from rising competition, KRSA was able to achieve very favorable signings and maintain and, in some cases even improve, its position with almost all clients.

KRSA manages its insurance risk by buying proportional and non-proportional retrocession with its parent company and third parties. An average of 70% of premium is retroceded to Korean Re.

While Europe faced several notable events in 2024 – including floods in Southern Germany and Eastern Europe, riots in New Caledonia, and the Valencia floods – these remained within KRSA's modeled budgets for large and catastrophe losses. The most significant impact came from continued claims development related to the 2023 Italian hailstorms, where market losses rose to EUR 6 billion, well above the initial EUR 2–3 billion estimates. The full extent became clear in Q1 2024, affecting KRSA's 2024 results by EUR 17m gross.

Net acquisition costs stood at EUR 10.9m and administrative expenses amounted to EUR 8.7m. The latter are largely driven by personnel expenses of total EUR 6.8m for the average 22 full-time employees.

In 2024, KRSA achieved solid investment returns, generating total net investment income of EUR 5m. This was primarily driven by its high-grade corporate bond portfolio and supported by gains from foreign exchange and diversified allocations, including an initial commitment to a Private Debt Fund (PDF).

Other financial income / expenses included negative interest rates as well as the interest expense for the right of lease of our office.

The Board of Directors will propose to its shareholder at the Annual General Meeting to carry forward the balance of – EUR 40.5m.

C. Governance and risk management

KRSA implements the strategic and other business directives of Korean Re while complying with the relevant Swiss corporate and supervisory provisions and with the Articles of Association and its other regulations.

C.1 Corporate Governance

The executive bodies of KRSA are the Board of Directors, the Chief Executive Officer (CEO) and the Executive Management, headed by the CEO. The Executive Management consists of the CEO, Chief Financial Officer (CFO), Chief Strategy Officer (CSO) and Chief Underwriting Officer (CUO). The further mandatory functions of KRSA are the Internal Audit, Risk Management Function, Compliance Function and the Responsible Actuary.

Board of Directors

Board of Directors as of 31 December 2024	Residence
Yung Heub Song (Chairman)	Seoul, Korea
Se Koan Oh (Director)	Seoul, Korea
Reinhard Thoennissen (Independent Director)	Wallisellen, Switzerland
Sven Siegin (Secretary of the Board of Directors)	

At the Annual General Meeting (AGM) of 30 April 2024, Chairman Mr. Yung Heub Song, and board member Mr. Joonha Yoo as well as Independent Director Mr. Reinhard Thoennissen were reelected. Furthermore, the AGM confirmed Ernst & Young AG as auditor.

At the Extraordinary General Meeting (EGM) on 1 August 2024, board member Mr. Joonha Yoo resigned and the EGM elected Mr. Se Koan Oh as his replacement with effect from 2 September 2024.

By law, the Board of Directors is responsible for the ultimate direction of KRSA, the supervision and control of the KRSA's management and the determination of KRSA's organization. The Board of Directors has the powers and duties as described by the Organizational Regulations of KRSA.

Executive Management

Management as of 31 December 2024
Michael Hinz (Chief Executive Officer, CEO)
Jazmin Seijas Nogareda (Chief Financial Officer, CFO)
Jae Gyun Kim (Chief Strategy Officer, CSO)
Beatrix Dodgson (Chief Underwriting Officer, CUO)

KRSA's management underwent following changes – CEO Markus Eugster resigned as of 30 June 2024 and was replaced by former CUO Michael Hinz as of 1 July 2024. Beatrix Dodgson joined the company and assumed the position of CUO on 1 September 2024. Jae Gyun Kim's role changed from COO (Chief Operating Officer) to CSO (Chief Strategy Officer) along with the role's responsibilities as of 1 September 2024.

The Board of Directors delegates the management of KRSA to the CEO and the other members of the Executive Management as described by KRSA Organizational Regulations. Fundamental decisions of the Executive Management are made in the Executive Management Committee. This Committee takes place regularly in order to discuss and decide about the operational implementation of the business strategy and the risk strategy of KRSA.

Control functions and Responsible Actuary

KRSA mandates the **Internal Audit function** to Korean Re as its Internal Auditor. Therefore, Internal Audit is organizationally and operationally independent of KRSA's other control functions. KRSA is being audited at least once a year, on rotating topics. The Board of Directors approves the yearly audit plan. Internal Audit produces an Audit Report for the attention of the Board of Directors.

The Head of Risk Management & Compliance carries out the roles of the **Risk Management function** and the **Compliance function** of KRSA, which are described in KRSA policies. The Risk Management function regularly carries out an independent assessment of the significant risks of KRSA and of the appropriateness of the Risk Management system and reports at least once a year directly to the Board of Directors. The reporting to the Executive Management takes place in the Risk Management Committee. The Compliance function assesses the appropriateness of the principles, processes and control structures to comply with the legal, regulatory and internal regulations. Furthermore, the Compliance function assesses how KRSA deals with compliance breaches and reports directly to the Board of Directors once a year about KRSA's key compliance risks.

The function of the **Responsible Actuary** is outsourced to KPMG AG. The Responsible Actuary reviews the level of technical reserves and the SST calculation annually. In addition, the Responsible Actuary will support the annual ORSA by performing the projection of the 3-year solvency capital requirements based on the SST. As part of the role, the Responsible Actuary will provide an annual Responsible Actuary Report to the Executive Management and to the Board of Directors.

C.2 Risk Management

Risk management as a component of the governance system serves to identify, assess, report and monitor short and long-term risks to which KRSA is exposed. The following risk types are considered relevant and thus taken into account in the KRSA Risk Management process:

- Insurance risk
- Credit risk
- Market risk
- Liquidity risk
- Operational risk
- Reputational risk
- Strategic risk
- Emerging risk (e.g. climate risk)

The operational organization of the Risk Management system comprises the Head of Risk Management & Compliance and the Risk Management Committee. Furthermore, the organizational structure of the Risk Management system reflects the concept of "Three lines of defense". With this concept, KRSA pursues the goal to identify and manage the risks at all levels from underwriting / pricing to technical accounting / claims and finance. All departments, processes and systems are involved and different procedures are implemented to achieve a complete risk identification. The identified risks are evaluated either by quantitative modeling within the SST process or by qualitative expert assessments. The Risk Management Committee discusses and approves the overall risk profile on a quarterly basis and the most significant risks of the overall risk profile are reported to the Board of Directors on a quarterly basis.

Risk strategy

The risk strategy, which is derived from the business strategy, defines where, how and to what extent KRSA is prepared to take risks. The risk strategy is being updated annually with a forward-looking approach, e.g. with regard to the underwriting for the following year, the needed retrocession and the development of the SST. The process takes into consideration the business development of the current year. Therefore, the Executive Management prepares key risk metric figures on the basis of exposures, claims ratios, growth potential, business outlook and SST development. As a result, implications shall be derived on the (re)structuring of the retrocession program, required capital, the investment strategy and other qualitative and quantitative measures.

The Risk Management Committee of KRSA is responsible to develop a proposal for the annual risk strategy, e.g. appetite and limits. The Board of Directors approves the risk strategy. The level of risk that KRSA is willing to accept is determined by a predefined range of the solvency ratio of the Swiss Solvency Test, the risk preferences per risk type and the maintenance of the S&P rating.

Internal Control System (ICS)

The internal controls established by the first line of defense with the support of the second line relate to all measures and procedures that are continuously applied by all employees in order to achieve the following objectives:

- Effectiveness and efficiency of all business operations
- Reliability of financial reporting
- Compliance with relevant laws and regulations

This control environment is part of the ICS framework, which is described in detail in the ICS Policy of KRSA. The Board of Directors is responsible for ensuring that an appropriate ICS is in place. The implementation of the ICS is the responsibility of the Executive Management. The Head of Risk Management & Compliance ensures that the KRSA wide process, risk and control documentation is up to date and reviews whether these are being applied in the daily business routines. The KRSA ICS report is prepared for each financial year, listing the core processes and assessments of its risks and controls. Possible weaknesses and measures identified by the process owners and by the auditors are also included in the ICS report. This report is used by the Board of Directors to oversee KRSA's internal control system.

Risk Management Committee

KRSA`s Risk Management Committee is responsible for the regular analysis of risk identification, risk assessment and the preparation and implementation of risk-reducing measures. The Risk Management Committee consists of the Executive Management, the Head of Risk Management & Compliance and the Responsible Actuary. The Risk Management Committee focuses on Risk Governance and Risk Management topics in the broadest sense and takes place at least four times a year. The Committee is responsible for the following tasks:

- Responsible for analyzing the risk profile on a quarterly basis
- Monitoring of risk-bearing capacity and limits
- Proposal for the Risk Management strategy

Own Risk and Solvency Assessment (ORSA)

The ORSA is a forward-looking process and an integral part of KRSA's strategy and planning process, as well as of the overall risk management concept. The overall risk profile is an essential component of the ORSA process, in which KRSA carries out a forward-looking self-assessment of the risk and solvency situation each year. The Finance department prepares the financial planning. The planning period covers the current and the following three financial years. The Responsible Actuary uses the overall risk profile and financial planning to calculate the capital requirements and to evaluate the projections of overall solvency needs and the scenarios. The Risk Management Committee discusses and approves the ORSA results and determines possible measures, which will be approved by the Board of Directors. In the final step, the CEO, CFO, Responsible Actuary and Head of Risk Management & Compliance establish the ORSA report and submit it to the Board of Directors for approval.

Material changes in the corporate governance and risk management during the reporting period

KRSA's corporate governance and risk management are fully established. There were no material changes during the reporting period, neither in the roles and responsibilities nor in the processes of Corporate Governance and Risk Management.

Internal audit performed an audit in 2024 with moderate and minor findings. The focus of the internal audit was on the adequacy and efficiency of the Risk Management system and the appropriateness of internal control procedures in Finance and IT.

D. Risk profile

This section describes the risks to which KRSA is exposed and the measures taken to minimize these risks. For the quantitative evaluation of risks, KRSA generally follows the formula used under the Swiss Solvency Test (SST) for calculation of the regulatory capital requirements. In the Swiss Solvency Test, the insurance risk, the market risk and the credit risk are calculated. The quantitative information about KRSA`s risk profile can be found in Section G. All other types of risk are identified and qualitatively assessed through various processes as described in the section above.

Insurance Risk

Insurance risk shall be classified into premium, reserves, natural catastrophe and man-made risk. KRSA is exposed to natural hazards such as floods, earthquakes and windstorms in Europe and to a small extent in other regions. Accumulation risk is included in natural catastrophe risk. Cyber risk is taken into account in the IE1 scenarios in the SST.

The main risk mitigation measure taken by KRSA is the purchase of retrocession. KRSA has in place quota share treaties with its parent Korean Re. In addition, KRSA benefits from Korean Re's external XoL retrocession programs.

Market Risk

The market risk reflects the risk of losses from adverse change and volatility of market prices of invested assets. The market risk includes interest rate, spread and foreign exchange rate risk. Since KRSA's investments consist mainly of corporate bonds, changes in the interest rate level (interest rate risk) and the risk premiums (spread risk), which depend on the issuer, have a significant impact on the valuation of the investments.

In order to mitigate the market risk, KRSA defines its Asset Management strategy in the separate Asset Management Policy. KRSA does not engage in derivatives trading. KRSA’s investment portfolio includes bond investments, short-term instruments, and, since 2024, Private Debt Funds as a new asset class. Only investment-grade bonds are considered eligible. Any deviation from these investment principles needs to be agreed by Korean Re's investment division and approved by KRSA's Board of Directors. Furthermore, there are several investment limits in place, which are defined in KRSA's Asset Management Policy.

Credit Risk

Credit risk is defined as the potential losses due to the deterioration of the credit quality of counterparties. This includes failure of a borrower to meet its contractual obligation in accordance with the agreed terms, counterparty risk from reinsurers (ceded business) and credit default risk from the investment management. KRSA mitigates credit risk exposure by adherence to strict rating requirements for their counterparties as defined in KRSA`s Asset Management and Retrocession Policies. Special attention is being given to the dependence on Korean Re and the associated credit risk. At the end of 2022 KRSA has put in place a collateral account to further reduce the credit risk to its parent. KRSA's Retrocession Policy includes monitoring and mitigation measures which help to reduce this risk.

Operational Risk

Operational risk is the risk resulting from the inadequacy or failure of internal processes, systems, employees and external events. The definition includes compliance risks, but not reputational and strategic risks. In the KRSA risk management process, operational risks in the areas of people, IT, processes, and compliance risks as well as risks resulting from external events were identified and discussed in the Risk Management Committee and appropriate risk-reducing measures were defined.

The risk minimizing measures for all the identified operational risks are defined in KRSA's overall risk profile and KRSA`s risk control matrix, which is part of the internal control system.

Other material risks

Liquidity risk refers to the risk of loss that may arise because of insufficient funds due to an unexpected sudden change in cash flow. KRSA will need liquidity to pay claims, its operating expenses, and interest on its debt and declared dividends on its share capital, and replace certain maturing liabilities. KRSA has sufficient liquidity to pay claims in a timely manner to retain its main value proposition to ceding insurance companies.

KRSA monitors its liquidity position and holds cash in two highly rated banks. The majority of KRSA`s fixed income instruments are traded in public exchanges and can be easily converted into cash.

With the coming into force of FINMA Circular 2025/3 on 1 January 2025, KRSA will further enhance its liquidity risk management.

Reputational risk is defined as the risk of negative economic impact that could result from damage to KRSA's reputation. This includes communications, market behavior, employee treatment, social media activity or any other activity, which could lead to a reputational risk for KRSA.

Reputational risk is managed through consistent branding and image management within Korean Re. KRSA uses a standardized set of policies and procedures to govern its general conduct of business and interactions with employees, contracting parties, rating agencies and supervisory authorities.

Strategic risk is defined as the risk of losses due to business decisions, poor implementation of processes or a lack of adaptability to changes in the market.

KRSA faces a strategic risk in the planning as it is dependent on its parent Korean Re. This dependence entails the risk that KRSA does not achieve its financial objectives in case of strategic changes at Korean Re. KRSA is in constant exchange with Korean Re regarding strategic assumptions and two of KRSA's board members are senior managers of Korean Re, sufficiently mitigating this risk.

Another strategic risk for KRSA is the revocation of the Solvency 2 equivalence of the Swiss solvency regime. The probability of this risk is low, but the impact in the event of an occurrence is classified as high given KRSA's geographic mandate, making it one of KRSA's largest and most important risks.

Emerging risks are risks which may develop or already exist, that are difficult to quantify and may have a high loss potential. In addition, emerging risks are characterized by a high degree of uncertainty, and even basic information that would help to adequately assess the frequency and severity of a given risk is often lacking. The process for identifying emerging risks is part of KRSA's risk management. The most important emerging risks are presented and discussed in the Risk Management Committee.

Concentration risks: KRSA's main retrocessionaire is its parent company Korean Re which leads to a counterparty risk accumulation. Given the strategic alignment with Korean Re, the long-term approach and mostly collateralized receivables, the risk is largely mitigated. The default of Korean Re was assumed in the 'existential threat scenario' in the ORSA process.

Climate-Related Financial Risks: While KRSA, as a supervisory category 4 reinsurance company, is not currently required to publish climate-related financial risk disclosures under FINMA Circular 2016/2, we recognize the increasing relevance of climate change for the (re)insurance industry.

KRSA monitors potential exposures to climate-related financial risks as part of its emerging risks framework. These include physical risks from increasing frequency and severity of natural catastrophe events, as well as potential transitional risks linked to regulatory or market shifts in response to climate change. Although these risks are currently assessed qualitatively, we are monitoring developments in regulatory expectations and industry practices and will refine our approach as needed.

Material changes in the risk profile during the reporting period

All risks were identified, assessed and monitored by the Risk Management Committee. The risk profile of KRSA is more balanced than previous years. The duration match between assets and liabilities has improved further compared to the SST 2024. The Market Risk is stable compared to last year. The increase caused by the growth of the bond portfolio is dampened by a strong reduction in duration due to the short duration of the newly purchased bonds. The increase in Credit Risk is due to the growth of the bond portfolio. The collateral cover introduced in 2022, which protects the net exposure against the parent company in case of default, almost eliminates Korean Re's default risk. AEP decreased since the previous SST. The net expected earned premium for this year has significantly declined, mainly due to a reduced risk appetite, partially offset by increased retention following adjustments to the outward quota-share retrocession structure. IE1 increased mainly due to higher average severities lowering the scale parameter. Catastrophe events risk has slightly risen mainly because of the adjusted retrocession structure partially offset by the re-duction in gross catastrophe exposure. AER has grown since the previous SST, reflecting increased reserve volumes. IE2 has developed similarly to last year due to rising severities across most scenarios.

E. Valuation

KRSA's market consistent assets amount to EUR 491.9m and consist of the reinsurer's share of technical provisions (41%), investments (bonds and funds 27%), reinsurance receivables (18%), cash (9%) and other positions (5%) like other assets and deposits.

The corporate bonds are liquid traded securities for which a market value as of 31.12.2024 was used for the market-consistent balance sheet. In contrast, the statutory balance sheet carries the bonds at amortized cost. The cash is held in bank accounts predominantly at a leading Swiss bank and was recognized as is in the market-consistent balance sheet. The ceded reserves are revalued at market value. The deferred acquisition cost and intangible assets were not considered at all (zero market value). The rest of assets were recognized at book value in the market-consistent balance sheet.

The following table shows the statutory balance sheet and market consistent balance sheet as of 1 January 2025 and 1 January 2024:

Balance Sheet EURm	**Stat BS 31.12.2024**	**Adjust-ment**	**SST BS 01.01.2025**	**SST BS 01.01.2024**
Commercial real estate: domestic	0.7	-0.7	0.0	0.0
Corporate bonds	143.2	-19.1	124.2	93.3
Investment funds: money market	4.8	0.0	4.8	4.3
Private debt	3.8	0.0	3.8	0.0
Deposits made under assumed reinsurance contracts	22.7	0.0	22.7	26.8
Bank credit balance	46.3	0.0	46.3	68.8
Share of technical provisions from reinsurance	234.2	-32.9	201.2	177.1
Other fixed assets	0.1	0.0	0.1	0.0
Deferred acquisition costs	9.5	-9.5	0.0	0.0
Intangible assets	0.3	-0.3	0.0	0.0
Receivables from insurance and reinsurance companies	86.4	0.0	86.4	163.4
Receivables from insurance companies: ceded	*-0.3*	*0.0*	*-0.3*	*44.6*
Receivables from insurance companies: assumed	*86.7*	*0.0*	*86.7*	*118.8*
Other receivables	0.5	0.0	0.5	0.2
Other assets	0.1	0.0	0.1	0.1
Accrued assets	1.7	0.0	1.7	0.2
Total Assets	**554.3**	**-62.5**	**491.8**	**534.3**
Active reinsurance: non-life insurance business	361.2	-50.8	310.3	272.3
Claims Reserves (gross)	291.0	-21.2	269.8	234.8
Unearned Premium Reserve (gross)	70.2	-29.6	40.5	37.5
Interest bearing liabilities	0.8	-0.8	0.0	0.0
Deposits retained on ceded reinsurance	30.0	0.0	30.0	33.7
Other liabilities from insurance business	60.9	0.0	60.9	135.3
Other liabilities	0.4	0.0	0.4	0.5
Accrued liabilities	2.0	0.0	2.0	1.8
Market Value Margin	0.0	15.1	15.1	10.7
Total Liabilites	**455.2**	**-36.5**	**418.7**	**454.4**
Equity/RBC	**99.1**	**-26.0**	**73.1**	**79.9**

The adjustments from the statutory balance sheet to the market consistent balance sheet are as follows:

- Removal of Deferred Acquisition Costs on the asset side,
- Removal of Intangible Assets on the asset side,
- Removal of counterpart of Intangible Assets on the liability side,
- Discounting of non-life claims reserves (inwards and outwards),

- Market-consistent valuation of Unearned Premium Reserve ("UPR") on the asset and liability side (inwards premium reserve and outwards premium reserve) by adding expected future losses from the statutory Premium Reserve,
- Ceded Premium Deficiency Reserves ("PDR") are set to zero as they are included within the adjusted UPR,
- No dividend payment is expected for 2025.

E.1 Market Consistent Value of the Assets

The market prices of corporate bonds and money-market funds are readily available. The position of the PDF in the SST BS is stated as net asset value (NAV) provided by the fund manager. The market value of bonds differs from their statutory balance sheet value because Korean Re records them at amortized value. The PDF is valued at the lower of acquisition cost or market value (NAV) in the statutory balance sheet, with no difference with the SST BS as of 31.12.2024.Ceded Claims Reserves have been discounted, a market consistent evaluation of the ceded UPR has been done including also business inception on 1 January 2025. The ceded PDR have been set to zero as they are included within the adjusted UPR.

Deferred acquisition costs and intangible assets are not considered in the SST BS. For all other assets the statutory value has been taken as the SST BS value.

E.2 Best Estimate Value of the Liabilities

E.2.1 Discounted Best Estimate Claims Reserves

Discounted Best Estimate Claims Reserves have been estimated by multiplying the Statutory Best Estimate Reserves as of 31 December 2024 by a discount factor estimated using the risk-free EUR yield curve from the Standard Model and assumed benchmark payment patterns.

E.2.2 Market Consistent Unearned Premium Reserves (UPR)

The undiscounted market consistent UPR was calculated by applying the expected combined ratio to the statutory UPR value and adding the net expected insurance loss/gain on bound but not incepted business ("BBNI", business written as of 1 January 2025). This was then discounted to obtain the market consistent UPR. The part of the market consistent UPR coming from the statutory UPR was discounted on a LoB level. The discount factors per LoB were constructed using the risk-free EUR yield curve from the Standard Model and assumed benchmark payment patterns. To the BBNI an overall discount factor was applied, it was calculated as a weighted average of the discount factors per LoB, using the expected insurance loss per LoB as weight.

E.2.3 Gross and Net Best Estimate Insurance Liabilities

The following table shows the statutory and market consistent gross and net Technical Provisions as of 1 January 2025 and 1 January 2024:

Best estimate of insurance liabilities EURm	Statutory BS 2025	Statutory BS 2024	SST BS 2025	SST BS 2024
Reinsurance: Non-life insurance business	361.2	327.2	310.3	272.3
Claims Reserves (gross)	291.0	255.0	269.8	234.8
Unearned Premium Reserve (gross)	70.2	72.2	40.5	37.5
Equalization reserves and other statutory reserves (non-life): gross	0.0	0.0	0.0	0.0
Total	**361.2**	**327.2**	**310.3**	**272.3**

E.2.4 Market Consistent Value of the Remaining Liabilities

For all the non-technical provisions positions the statutory value has been taken as the market value, except for the lease liability ('Interest-bearing liabilities'), which is set to zero in the SST BS. The lease liability is viewed as a counterpart of the right of use asset, which was classified as an intangible asset and hence set to zero in the SST BS, therefore the same approach is taken for the lease liability.

E.3 Risk Margin

The 2025 Risk Margin is EUR 15.0m and corresponds to the expected discounted capital costs at the end of 2024 required by the insurance company to fulfil its insurance liabilities. It is estimated based on the expected Reserve Risk at the end of 2024 and the FINMA Standard Model.

F. Capital management

KRSA's capital management is based on its risk appetite, defined in particular by the target SST ratio, which is approved by the Board of Directors at least annually. The goal is to support long-term sustainable growth and to enhance the shareholder value on a continuous basis. To achieve these goals, a high credibility with all stakeholders as well as a high credit rating is required. KRSA's target range for the SST ratio is 120-150%.

KRSA's parent company Korean Re is the only source of capital. In 2024 there was no capital increase. The Group is committed to ensuring a sufficient capitalization and to invest further capital into KRSA if this is needed from a business perspective and essential for the adequate solvency and rating of KRSA. Accordingly, future capital injections are considered in order to maintain the solvency ratio above the target range. No dividends are planned during the build-up phase.

The retrocession agreements with Korean Re are supporting KRSA's capital base. To be successful and to further increase the value and credibility of its operations, Korean Re has built a comprehensive framework for risk governance based on the central supervisions and controls of risks with clear accountability across all operations of the business.

Structure, level and quality of the equity capital

KRSA's total equity of EUR 99.1m consists of share capital, capital reserves, organization fund, retained and voluntary retained earnings. The share capital is composed of CHF 10.0m.

EUR k	Share capital	Capital reserves	Organiza-tion fund	Restruc-turing fund	Retained earnings	Voluntary retained earnings	Total equity
As of 31 December 2021	**8'761**	**99'817**	**-**	**4'453**	**-**	**-20'579**	**92'452**
Offset of prior period loss with funds	-	-	-	-4'453	-	4'452	-
Capital Increase (30.11.2022)	-	20'000	-	-	-	-	20'000
Loss for the period	-	-	-	-	-	-12'971	-12'971
As of 31 December 2022	**8'761**	**119'817**	-	**-**	-	**-29'098**	**99'480**
Offset of prior period loss with funds	-	-	-	-	-	-	-
Capital Increase (30.11.2023)	-	11'000	-	-	-	-	11'000
Loss for the period	-	-	-	-	-	-6'067	-6'067
As of 31 December 2023	**8'761**	**130'817**	-	-	**-**	**-35'166**	**104'413**
Offset of prior period loss with funds	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-5'294	-5'294
As of 31 December 2024	**8'761**	**130'817**	-	-	**-**	**-40'460**	**99'119**

G. Solvency

G.1 Overview

KRSA performed the Swiss Solvency Test (“SST”) as of 1 January 2025. The solvency information in this report (e.g., risk-bearing capital, target capital) corresponds to that submitted to FINMA within KRSA's SST report and is still subject to regulatory review.

The SST model applied is a Partial Internal Model based on FINMA Standard Models for all modules except Natural Catastrophe Risk (“NatCat”) which is covered by an Internal Model. The Internal Model for NatCat has been approved by FINMA in 2021.

The internal model for NatCat covers the modelling of natural catastrophe risks Windstorm Europe, Earthquake Europe and Flood Europe. The frequency-severity model used for IE1 is not sufficient to capture the NatCat risks. A vendor NatCat model allows for a more accurate and adequate modelling. The NatCat modelling is outsourced to Verisk Analytics, with KRSA providing the necessary input data. The output of the Verisk Analytics vendor model is used to model NatCat risks in the SST.

Based on the Company’s business plan and planned risk profile, KRSA is solvent on an economic basis with an SST ratio of 164% as of 1 January 2025. The results of the SST 2025 along those of 2024 for KRSA by risk are shown in the table below. The results are as submitted to FINMA on 30 April 2025.

Comments on individual risk components are as follows:

Risk components	SST 2025 in EURm	SST 2024 in EURm
Underwriting risk	18.8	20.2
Reserving risk	27.5	20.6
Diversification effect	-14.2	-9.7
Market risk	12.7	12.7
Credit risk	15.4	14.0
Diversification effect	-18.4	-16.7
Scenario impact	0.03	0.2
Additional impacts	0.0	0.0
Expected insurance result (loss)	1.9	1.2
Expected financial result (gain)	-0.8	-0.6
Target capital (TC)	**44.5**	**42.0**
Risk-bearing capital (RBC)	**73.1**	**79.9**
SST ratio	**164%**	**190%**

- **Underwriting Risk:** The Underwriting Risk consists of the risk components Natural Catastrophe risk (NE), Attritional Events Premium Risk (AEP) and Individual Events 1 (IE1). Underwriting risk is primarily influenced by Attritional Events Premium Risk ("AEP"), which has decreased since the previous SST. The net expected earned premium for this year has significantly declined, mainly due to a reduced risk appetite in particular for Property Cat and Property Non-Cat, partially offset by increased retention following adjustments to the outward quota-share retrocession structure. The Coefficients of Variation ("CoVs") and expected loss ratios have remained relatively stable. Individual Events 1 ("IE1") increased mainly due to higher average se-verities lowering the scale parameter (alpha initial). Catastrophe Events ("NE") risk has slightly risen mainly because of the adjusted retrocession structure partially offset by the reduction in gross catastrophe exposure.
- **Reserving Risk:** The Reserving Risk consists of the risk components Attritional Events Reserve Risk (AER) and Individual Events 2 (IE2). AER has grown since the previous SST, reflecting increased reserve volumes. IE2 has developed similarly to last year due to rising severities across most scenarios.
- **Market Risk:** Market Risk is a significant component of the Target Capital and adheres to the FINMA Standard Model. The primary risk stems from bond investments, specifically their Interest Rate Risk and Spread Risk. Market Risk has increased due to the expansion of the fixed income bond portfolio with new bond purchases. Nevertheless, this increase is mitigated by a substantial reduction in duration because of the short duration of the newly purchased bonds.
- **Credit Risk:** Credit Risk is also a significant component of the Target Capital; it is based on the FINMA Standard Model. The increase in Credit Risk is due to the growth of the bond portfolio. The largest KRSA credit exposure is to the Parent Company (due to intra-group retrocession, offset by payables). However, the collateral cover introduced in 2022 that protects the exposure with the Parent Company in case of default.
- **Expected Insurance Result:** The Expected Insurance Result is in line with KRSA's Plan and reflects the expected loss in 2025. The Expected Insurance Result is therefore based purely on expected renewals after January. The Expected

Insurance Result has reduced compared to the previous SST from a loss of EURm 1.2 to a loss of EURm 1.9 mainly due to an increase in allocated retro XL premium from EURm 1.5 to EURm 1.9.

- **Expected Financial Result:** The Expected Financial Result is based on the FINMA Standard Model and reflects the expected financial return of KRSA investments. The Expected Financial Result has increased in line with the growth of the bond portfolio.
- **Risk Margin ("Market Value Margin" or "MVM"):** The 2025 MVM corresponds to the expected discounted capital costs at the end of 2025 required by the insurance company to fulfil its insurance liabilities. It is estimated based on the FINMA Standard Model. The Risk Margin has increased in line with the increase of the AER component and the newly calculated non-hedgeable market risk since the long-term risk is increasing and the threshold defined by FINMA has been reached this year.
- **Risk Bearing Capital ("RBC"):** The RBC is based on the 31.12.2024 KRSA Statutory Balance sheet to which adjustments have been applied in order to move to a market consistent view. 100% of RBC is paid up capital, no other risk absorbing capital instruments are included. The decrease in RBC is mainly driven by the statutory loss of EURm 5.3m and the increase of MVM of EURm 4.4.

G.2 Market Risk

KRSA uses the FINMA Standard Model for Market Risk as described in the document "Technische Beschreibung für das SST-Standardmodell Marktrisiko", dated 31.10.2024.

The delta-normal approach was used to estimate the exchange rate risk for all the non-investment and non-insurance related positions. For all other positions the exact valuation method was used.

The composition of the Market Risk TC for this SST is shown in the following table (in EURm).

Risk factors	SST 2025	SST 2024	Delta
Diversification effects risk	-7.5	-7.5	0.0
Standalone interest rate risk	6.4	7.4	-1.0
Standalone CHF rate risk	0.4	0.3	0.1
Standalone EUR rate risk	6.2	7.1	-0.9
Standalone USD rate risk	0.5	0.6	0.0
Standalone GBP rate risk	0.0	0.0	0.0
Standalone spread risk	12.6	12.1	0.5
Standalone currency risk	1.2	0.7	0.5
Total market risk	12.7	12.7	0.0

The Market Risk is stable compared to last year. The growth of the fixed income bond portfolio with the purchase of new bonds, whose total market value amounts to EURm 30.8. However, the increase caused by the growth of the bond portfolio is dampened by a strong reduction in duration due to the short duration of the newly purchased bonds.

Compared to previous SST, an additional spread position from the private debt fund completes the already existing delta terms.

G.3 Credit Risk

To model the Credit Risk, we have followed the FINMA Guideline "Technische Beschreibung für das SST-Standardmodell Kreditrisiko", dated 10.12.2024. The Credit Risk Merton model has been used for all assets exposed to Credit Risk, except for the private debt fund where the Credit Risk Basel has been used. The credit ratings of most of the counterparties are from recognized credit-rating agencies. Credit Risk has been calculated for the relevant SST BS assets.

The assets exposed to Credit Risk per counterparty as at 1 January 2025 are shown in the following table (in EURm) for the counterparties to which Korean Re has the largest exposure to.

Counterparty	SST-Rating	Original currency	Market value gross	Market value net
Korean Re	3	EUR	162.6	1.0
ZKB	1	EUR	22.0	22.0
AXERIA IARD	4	EUR	18.3	18.3
CIC	3	EUR	17.0	17.0
MSIG	4	EUR	11.1	11.1
Korean Re	3	CHF	10.8	0.1
HELVETIA	3	CHF	9.2	9.2
Volkswagen Fin Serv AG	4	EUR	7.6	7.6
Allianz	2	EUR	7.0	7.0
UBS	3	EUR	6.8	6.8
Top 10 Counterparties		**EUR**	**272.6**	**100.2**

The 10 largest counterparties and asset types make up EURm 272.6 or 57.8% of the total exposure to Credit Risk based on the market value gross. The largest exposure is towards Korean Reinsurance Company. This is due to the Share of technical provisions from reinsurance and the Receivables from reinsurance companies with the Parent Company. This is however reduced to almost zero after Credit Risk Mitigation (collateral).

G.4 Insurance Risk Non-Life

The results of the Non-Life Insurance Risk model and the stand-alone Insurance Risk Capital are summarized below:

SST Model Component (EURm)	SST 2025	SST 2024
Attritional Events Premium Risk (AEP)	8.6	15.9
Individual Events 1 (IE1)	16.5	13.3
Natural Catastrophe Events (NE)	10.7	9.9
Diversification (Premium Risk)	-17.0	-18.9
Underwriting Risk	18.8	20.2
Attritional Events Reserve Risk (AER)	24.9	17.2
Individual Events 2 (IE2)	16.8	14.7
Diversification (Reserving Risk)	-14.2	-11.3

SST Model Component (EURm)	SST 2025	SST 2024
Reserving Risk	27.5	*20.6*
Diversification (Insurance)	-12.6	-9.7
Expected Shortfall Insurance	**33.7**	**31.2**

The components in the table above are as follows: Attritional Event Premium Risk ("AEP"), Individual Events 1 ("IE1"), i.e. large premium risk, Natural Catastrophe ("NE"), Attritional Event Reserve Risk ("AER") and Individual Events 2 ("IE2"), i.e. large reserve risk.

AERP: The increase in Reserves is the main driver of the increase in the Target Capital since the CoVs are quite stable.

IE2: The rise in severity across most scenarios is lowering the alpha initial, consequently raising the target capital.

AEP: The Net Expected Earned Premium has decreased significantly, primarily due to a reduction in risk appetite, partially offset by increased retention following adjustments in the outwards quota-share retrocession structure. The CoVs and Expected Loss Ratios have remained relatively stable. Consequently, the decrease in Target Capital is mainly driven by the Premium.

IE1: The Target Capital has increased due to higher average severities lowering the scale parameter (alpha initial).

NE: The reduction in gross exposure, coupled with the adjusted Retrocession Structure with increased net retention, results in a slight increase in Target Capital:

NE Target Capital (EURm)	SST 2025	SST 2024
Target Capital (gross, undiscounted)	95.7	145.6
Target Capital (net, discounted)	**10.7**	**9.9**

H. Appendix

H.1 External auditor's summary report

The Financial Condition Report is not audited.

The financial statements of Korean Reinsurance Switzerland AG, which comprise the income statement, balance sheet, cash-flow statement and notes to the financial statements for the year ended 31 December 2024, are audited. Please refer to the report of the auditor in the KRSA Annual Report 2024.

https://www.koreanre.ch/our-business

H.2 Abbreviations

AG	Aktiengesellschaft (stock corporation)
bn	Billion (short scale definition)
BS	Balance Sheet
Ca.	Approximately (Latin: circa)
CEO	Chief Executive Officer
Cf.	Refer to (Latin: confer)
CFO	Chief Financial Officer
CHF	Swiss Franc
CSO	Chief Strategy Officer
CUO	Chief Underwriting Officer
EUR	Euro
FINMA	Eidgenössische Finanzmarktaufsicht (Swiss Financial Market Supervisory Authority)
GWP	Gross Written Premium
ICS	Internal Control System
k	Thousand
Korean Re	Korean Reinsurance Company, Seoul, South Korea
KRSA	Korean Reinsurance Switzerland AG
LoB	Line of Business
m	Million
ORSA	Own Risk and Solvency Assessment
P&C	Property and Casualty
PDF	Private Debt Fund
Q	Quarter
Re	Reinsurance
S&P	Standard and Poor's (credit-rating agency)
SST	Swiss Solvency Test
UPR	Unearned Premium Reserves
USD	United States Dollar

H.3 Appendix: Quantitative tables

H.3.1 Performance Solo Reinsurance

Financial situation report: quantitative template "Performance Solo Reinsurance"

Currency: EUR
Amounts stated in million

	Total		Personal accident		Health		Motor		Marine, aviation, transport		Property		Casualty		Miscellaneous	
	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year
Gross premiums	171.6	175.1	0.2	1.5			43.0	6.0	15.6	23.2	81.2	91.6	12.9	21.4	18.8	31.5
Reinsurers' share of gross premiums	-114.9	-122.9	-0.1	-0.7			-19.1	-3.0	-6.3	-10.0	-69.6	-76.5	-5.5	-9.5	-14.3	-23.3
Premiums for own account (1 + 2)	56.7	52.2	*0.1*	*0.8*	-	-	*23.9*	*3.0*	*9.3*	*13.2*	*11.6*	*15.1*	*7.3*	*11.8*	*4.5*	*8.2*
Change in unearned premium reserves	-15.6	2.4	-	-0.5			-18.6	19.3	-0.7	-3.9	6.5	0.6	-3.0	-5.3	0.2	-7.8
Reinsurers' share of change in unearned premium reserves	11.2	2.5	-0.0	0.2			10.3	-8.2	3.3	2.8	-5.0	-0.5	2.7	2.5	-0.1	5.6
Premiums earned for own account (3 + 4 + 5)	52.4	57.1	*0.1*	*0.5*	-	-	*15.7*	*14.2*	*11.8*	*12.2*	*13.2*	*15.2*	*7.1*	*9.0*	*4.6*	*6.0*
Other income from insurance business	1.1	1.2	-	-			-	0.1	-	-	-	0.3	-	-	1.1	0.9
Total income from underwriting business (6 + 7)	*53.5*	*58.3*	*0.1*	*0.5*	-	-	*15.7*	*14.3*	*11.8*	*12.2*	*13.2*	*15.5*	*7.1*	*9.0*	*5.7*	*6.9*
Payments for insurance claims (gross)	-90.9	-102.5	-0.0	0.1			-10.4	-12.4	-5.3	-5.9	-70.5	-77.7	-0.4	-0.6	-4.3	-6.0
Reinsurers' share of payments for insurance claims	66.1	74.8	0.0	-0.0			1.9	3.5	1.2	1.5	59.7	65.1	0.1	0.2	3.2	4.4
Change in technical provisions	-22.2	-35.8	-0.1	-0.7			-12.0	-11.4	-5.6	-8.2	10.3	5.4	-6.7	-9.8	-7.9	-11.0
Reinsurers' share of change in technical provisions	6.1	16.1	0.1	0.3			6.5	5.7	1.1	3.9	-9.5	-6.2	1.9	4.1	6.1	8.4
Change in technical provisions for unit-linked life insurance	-		-				-		-		-		-		-	
Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13)	*-40.9*	*-47.5*	*-0.1*	*-0.4*	-	-	*-14.1*	*-14.6*	*-8.6*	*-8.8*	*-10.0*	*-13.4*	*-5.1*	*-6.0*	*-3.0*	*-4.2*
Acquisition and administration expenses	-43.7	-46.9	-0.0	-0.2			-5.4	-5.2	-3.5	-5.0	-17.7	-17.2	-2.2	2.6	-14.9	-22.0
Reinsurers' share of acquisition and administration expenses	24.2	27.4	0.0	0.1			2.0	2.3	0.7	2.1	15.7	15.4	0.6	1.8	5.2	5.7
Acquisition and administration expenses for own account (15 + 16)	-19.5	-19.5	-0.0	-0.1	-	-	-3.4	-2.8	-2.8	-2.9	-2.0	-1.8	-1.5	4.4	-9.7	-16.3
Other underwriting expenses for own account	-1.9	-1.4	-	-			-	-0.0	-	-	-	-0.2	-	0.4	-1.9	-1.5
Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only)	*-62.2*	*-68.4*	*-0.1*	*-0.5*	-	-	*-17.5*	*-17.4*	*-11.3*	*-11.7*	*-12.0*	*-15.5*	*-6.7*	*-1.3*	*-14.6*	*-22.0*
Investment income	3.8	6.1														
Investment expenses	-0.8	-1.1														
Net investment income (20 + 21)	3.0	5.0														
Capital and interest income from unit-linked life insurance	-	-														
Other financial income	-	-														
Other financial expenses	-0.0	-0.1														
Operating result (8 + 14 + 17 + 18 + 22 + 23 + 24 + 25)	-5.8	-5.1														
Interest expenses for interest-bearing liabilities	-	-														
Other income	-	-														
Other expenses	-0.1	-														
Extraordinary income/expenses	-	-														
Profit / loss before taxes (26 + 27 + 28 + 29 + 30)	-5.9	-5.1														
Direct taxes	-0.2	-0.2														
Profit / loss (31 + 32)	-6.1	-5.3														

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H.3.2 Market Consistent Balance Sheet Solo

	Currency: EUR, amounts stated in millions	Ref. date previous period	Adjustments previous period	Ref. date reporting year
Market conform value of investments	Real estate	-	-	-
	Participations	-	-	-
	Fixed-income securities	93.3	30.8	124.2
	Loans	-	-	-
	Mortgages	-	-	-
	Equities	-	-	-
	Other investments	-	-	-
	Collective investment schemes	4.3	-0.0	4.8
	Alternative investments	-	3.8	3.8
	Structured products	-	-	-
	Other investments	-	-	-
	Total investments	97.6	34.6	132.8
Market conform value of other assets	Financial investments from unit-linked life insurance	-	-	-
	Receivables from derivative financial instruments	-	-	-
	Deposits made under assumed reinsurance contracts	26.8	-4.0	22.7
	Cash and cash equivalents	68.8	-22.5	46.3
	Share of technical provisions from reinsurance	177.1	24.2	201.2
	Direct insurance: life insurance business (excluding unit linked life insurance)	-	-	-
	Reinsurance: life insurance business (excluding unit linked life insurance)	-	-	-
	Direct insurance: non-life insurance business	-	-	-
	Reinsurance: non-life insurance business	177.1	24.2	201.2
	Direct insurance: health insurance business	-	-	-
	Reinsurance: health insurance business	-	-	-
	Direct insurance: other business	-	-	-
	Reinsurance: other business	-	-	-
	Direct insurance: unit-linked life insurance business	-	-	-
	Reinsurance: unit-linked life insurance business	-	-	-
	Fixed assets	0.0	0.0	0.1
	Deferred acquisition costs	-	-	-
	Intangible assets	-	-	-
	Receivables from insurance business	163.4	-77.0	86.4
	Other receivables	0.2	0.3	0.5
	Other assets	0.1	-0.0	0.1
	Unpaid share capital	-	-	-
	Accrued assets	0.2	1.5	1.7
	Total other assets	436.7	-77.6	359.1
Total market conform value of assets	Total market conform value of assets	534.3	-43.0	491.8

Market conform value of liabilities (including unit linked life insurance)	Best estimate of insurance liabilities	272.3	38.0	310.3
	Direct insurance: life insurance business (excluding unit linked life insurance)	-	-	-
	Reinsurance: life insurance business (excluding unit linked life insurance)	-	-	-
	Direct insurance: non-life insurance business	-	-	-
	Reinsurance: non-life insurance business	449.4	-139.1	310.3
	Direct insurance: health insurance business	-	-	-
	Reinsurance: health insurance business	-	-	-
	Direct insurance: other business	-	-	-
	Reinsurance: other business	-	-	-
	Best estimate of unit-linked life insurance liabilities	-	-	-
	Direct insurance: unit-linked life insurance business	-	-	-
	Reinsurance: unit-linked life insurance business	-	-	-
	Market value margin	10.7	4.4	15.1
Market conform value of other liabilities	Non-technical provisions	-	-	-
	Interest-bearing liabilities	-	-	-
	Liabilities from derivative financial instruments	-	-	-
	Deposits retained on ceded reinsurance	33.7	-3.7	30.0
	Liabilities from insurance business	135.3	-74.4	60.9
	Other liabilities	0.5	-0.1	0.4
	Accrued liabilities	1.8	0.1	2.0
	Subordinated debts	-	-	-
Total market conform value of liabilities	Total market conform value of liabilities	454.4	-35.7	418.7

	Market conform value of assets minus market conform value of liabilities	79.9	-7.3	73.1

H.3.3 Solvency Solo

Currency: EUR, amounts stated in millions		Ref. date previous period	Adjustments previous period	Ref. date reporting year
		in CHF millions	in CHF millions	in CHF millions
Derivation of RBC	Market conform value of assets minus market conform value of liabilities	79.9		73.1
	Deductions			
	Tier 1 risk-absorbing capital instruments (RAC) counted towards core capital			
	Core capital	79.9		73.1
	Supplementary capital			
	RBC	79.9	-6.8	73.1

		Ref. date previous period	Adjustments previous period	Ref. date reporting year
		in CHF millions	in CHF millions	in CHF millions
Derivation of target capital	Insurance risk	31.2		33.7
	Market risk	12.7		12.7
	Credit risk	14.0		15.4
	Diversification effects	-15.9		-17.3
	Other effects on target capital	0.0		0.0
	Target capital	42.0	2.5	44.5

	Ref. date previous period	Adjustments previous period	Ref. date reporting year
	in %	in %	in %
SST ratio	190%	-26%	164%