GROUP SOLVENCY AND FINANCIAL CONDITION REPORT

DOMESTIC & GENERAL ACQUISITIONS LIMITED

For the year ended 31 March 2019

Contents

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for ensuring that the Solvency and Financial Condition Report ("SFCR") is properly prepared in all material respects in accordance with the Prudential Regulatory Authority ("PRA") rules and Solvency II ("SII") Regulations.

The Board of Directors confirm that, to the best of their knowledge:

(a) Throughout the financial year in question, Domestic & General Acquisitions Limited, its solo insurance undertaking and other subsidiaries (the "Group") have complied in all material respects with the requirements of the PRA rules and SII Regulations as applicable; and

(b) It is reasonable to believe that, at the date of the publication of the SFCR, the Group and its solo insurance undertaking continue to comply and will continue so to comply in future.

By Order of the Board

Tom Hinton - Director

Date: 15th August 2019

AUDIT REPORT

Report of the external independent auditor to the Directors of Domestic and General Acquisitions Limited ('the Company') 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 Domestic and General Acquisitions Limited as at 31 March 2019:

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Group Solvency and Financial Condition Report of Domestic and General Acquisitions Limited as at 31 March 2019, ('**the Narrative Disclosures subject to audit**'); and

- Group templates S02.01.01, S23.01.04, S25.01.04, S32.01.04 ('**the Templates subject to audit'**).

The Narrative Disclosures subject to audit and the 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 'Business and performance', 'System of governance' and 'Risk profile' sections of the Group Solvency and Financial Condition Report;

- Group templates S05.01.02, S05.02.01, S25.02.22;

- the written acknowledgement by the Directors of their responsibilities, including for the preparation of the Group Solvency and Financial Condition Report ('**the Responsibility Statement**');

- Information which pertains to an undertaking that is not a Solvency II undertaking and has been prepared in accordance with PRA rules other than those implementing the Solvency II Directive or in accordance with an EU instrument other than the Solvency II regulations. '**the sectoral information'**.

To the extent the information subject to audit in the relevant elements of the 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 Domestic and General Acquisitions Limited as at 31 March 2019 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ISA (UK) 800 and ISA (UK) 805, 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 Company in accordance with the ethical requirements that are relevant to our audit 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.

Emphasis of Matter – special purpose basis of accounting

We draw attention to the 'Valuation for solvency purposes' and '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 Solvency II regulations, 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. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you if:

- the directors' use of the going concern basis of accounting in the preparation of the SFCR is not appropriate; or
- the directors have not disclosed in the SFCR any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the SFCR is authorised for issue.

Other Information

The Directors are responsible for the Other Information.

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

In connection with our audit of the Group Solvency and Financial Condition Report, 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Relevant Elements of the Group Solvency and Financial Condition Report or a material misstatement of the Other Information. 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 and Solvency II regulations which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA, the PRA Rules and Solvency II regulations on which they are based.

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; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 financial reporting provisions of the PRA Rules and Solvency II regulations on which it they based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities

Report on Other Legal and Regulatory Requirements.

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Part of the PRA Rulebook for Solvency II firms, the **sectoral information** has been properly compiled in accordance with the PRA rules and

EU instruments relating to that undertaking from information provided by members of the group and the relevant insurance group undertaking.

Other Information

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 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.

The purpose of our audit work and to whom we owe our responsibilities

This report of the external auditor is made solely to the company's directors, as its governing body, in accordance with the requirement in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and the terms of our engagement. We acknowledge that the directors are required to submit the report to the PRA, to enable the PRA to verify that an auditor's report has been commissioned by the company's directors and issued in accordance with the requirement set out in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and to facilitate the discharge by the PRA of its regulatory functions in respect of the company, conferred on the PRA by or under the Financial Services and Markets Act 2000.

Our audit has been undertaken so that we might state to the company's directors those matters we are required to state to them in an auditor's report issued pursuant to Rule 4.1 (2) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company through its governing body, for our audit, for this report, or for the opinions we have formed.

Kushan Tikkoo

Kushan Tikkoo for and on behalf of KPMG LLP
15 Canada Square
London
E14 5GL
15 August 2019

- The maintenance and integrity of Company's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Solvency and Financial Condition Report since it was initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of Solvency and Financial Condition Reports may differ from legislation in other jurisdictions.

INTRODUCTION

This Solvency and Financial Condition Report ("SFCR") has been prepared in compliance with Solvency II ("SII") regulatory requirements. It contains a range of regulatory disclosures that support the information presented in the Quantitative Reporting Templates ("QRTs") shown in the Appendix. The SFCR covers Domestic & General Acquisitions Limited (Jersey) ("DGA"), which is a non-EU insurance holding company, its solo insurance undertaking and its other subsidiaries (the "Group").

The report is not intended to provide a comprehensive review of the Group's businesses and the markets in which they operate, how these businesses are managed, or performance of these businesses during the year.

This Group SFCR has been prepared in accordance with Article 359 of the Solvency II delegated acts. The structure of the report is in accordance with Annex XX of the delegated acts.

A solo SFCR has been prepared for Domestic & General Insurance PLC ("DGI") in accordance with Articles 290 to 298 of the Solvency II delegated acts. DGI is a wholly owned subsidiary of Domestic & General Group Limited, the EU insurance holding company, a company that is a wholly owned subsidiary of Domestic & General Acquisitions Limited (Jersey), the non-EU insurance holding company, and is a UK regulated insurance company. It can be found at:

https://investors.domesticandgeneral.com/media/1228/dgi-solvency-and-financial-condition-report-2019.pdf

The Group has two insurance holding companies, Domestic & General Acquisitions Limited, the ultimate non-EU insurance holding company and Domestic & General Group Limited, the ultimate EU insurance holding company (see the structure chart on the next page). The Group will not publish separate SFCRs for the two groups as the SFCR for the lower group would have the same information and any differences in Group own funds and SCR would not be considered material.

All amounts in this report are presented in pounds sterling, rounded to the nearest thousand, which is the Group's presentation currency.

SUMMARY

This SFCR covers Domestic & General Acquisitions Limited (Jersey) ("DGA"), which is a non-EU insurance holding company, its solo insurance undertaking, Domestic & General Insurance PLC ("DGI"), and its other subsidiaries (collectively the "Group"). DGA has a wholly owned subsidiary Domestic & General Group Limited, the EU insurance holding company which also wholly owns DGI, the UK regulated insurance company.

DGI has a wholly-owned subsidiary ("DGIEU"), established in FY19, which is a German insurance company authorised by BaFin. DGIEU did not trade in FY19, and consequently, DGIEU's Solvency & Financial Condition is not articulated in this report.

The principal activity of DGI is the provision of appliance care products in the UK, continental Europe and to a lesser extent Australia. DGI is an authorised United Kingdom insurance company, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority ("FCA") and the Prudential Regulation Authority ("PRA").

There have been no material changes to DGI's principal activity or to its system of governance, risk profile, valuation and capital management over the reporting period. DGI's Corporate Governance structure has been enhanced, however, with the introduction of a new Executive-level Group Risk Committee and a rationalisation of the remaining Committees, as explained later in this report.

Business review

The Group had gross premiums written in the year of £451.7m (2018: £331.7m), earned income of £324.5m (2018: £315.6m), investment income of £1.7m (2018: £1.9m) and profit before tax for the year of £37.1m (2018: £37.4m).

The UK GAAP balance sheet shows that the Group's financial position at the year-end continued to be strong with net assets of £122.9m.

Capital Structure and Solvency

The purpose of this report is to satisfy the public disclosure requirements under the Europe wide regulatory regime for Insurance Companies, the Solvency II directive.

Sufficient capital is retained to ensure financial stability of the Group and to meet regulatory requirements. The capital structure is kept under review to ensure these requirements are met and to maintain an efficient balance sheet. The Board regularly reviews the capital position of the Group and DGI under the European Solvency II directive.

The Group's capital position as at 31 March 2019 is as follows:

	DGI	Group
	£000	£000
Eligible own funds	137,833	157,057
Solvency Capital Requirements (SCR)	53,508	55,755
Capital Surplus	84,325	102,629
Ratio of Eligible Own Funds to the SCR	258%	282%

The Group and DGI make use of Undertaking Specific Parameters (USPs) in their application of the Solvency II standard model. Based on this model, and on their assessment of risk and solvency requirements, they remain well capitalised.

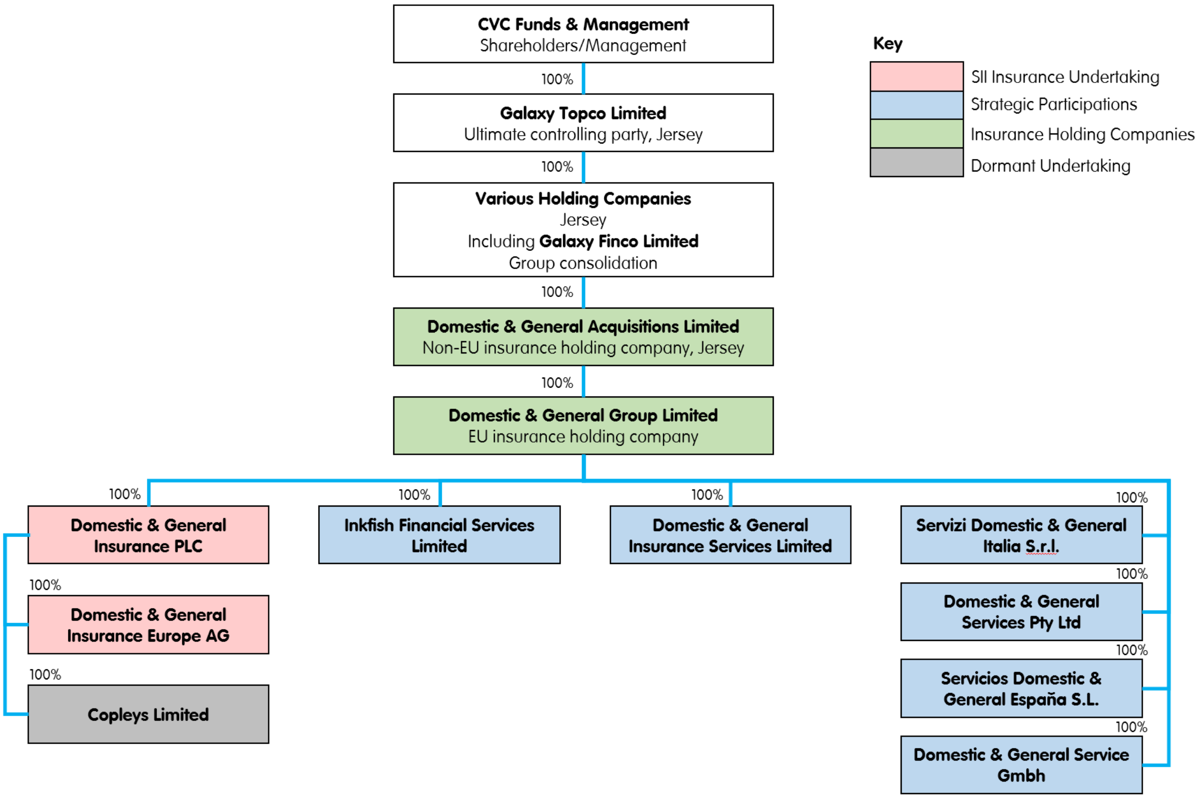
A. BUSINESS AND PERFORMANCE (unaudited)

A.1 Business

The principal activity of the Group is the provision of appliance care products and services in the UK, continental Europe and Australia.

The registered office address of the Company is 1 Waverley Place, Union Street, St Helier, Jersey JE1 1SG.

A.2 Legal structure (regulatory group)



The Directors regard Galaxy Topco Limited, a non-insurance holding company, whose principal shareholders are Funds managed and advised by subsidiaries and affiliates of CVC Capital Partners SICAV-FIS S.A, as the ultimate controlling party. Domestic & General Acquisitions Limited is the ultimate non-EU insurance holding company and Domestic & General Group Limited is the immediate parent undertaking and EU insurance holding company.

The Group's major activities are summarised in the following sections:

SII Insurance Undertaking

DGI is a United Kingdom insurance company, authorised by the PRA and regulated by the Financial Conduct Authority (FCA) and the PRA, and trades through a number of branches in Germany, Spain, Italy and France, which operate under EU Freedom of Establishment regulations. It also writes business on a passported basis in Portugal, Netherlands, Belgium, Ireland, Poland, Sweden and Austria. DGI also has a branch in Australia which is regulated by the Australian Prudential Regulation Authority (APRA) and which is required to hold capital locally to cover its Australian liabilities. The principal activity of DGI is the provision of appliance care products in the UK, continental Europe and to a lesser extent Australia.

Insurance Holding Companies

Domestic & General Acquisitions Limited and Domestic & General Group Limited are insurance holding companies.

Strategic Participations

All non-insurance related operations in the Group are classified as Strategic Participations.

Servizi Domestic & General Italia S.r.l. (Italy) and Domestic & General Services Pty Ltd (Australia) - Their principal activities are to promote, sell and administer service plans to purchasers of domestic appliances on behalf of manufacturers and retailers who are clients of the businesses.

Domestic & General Services Pty Ltd - Their principal activities are to promote, sell and administer service plans to purchasers of domestic appliances on behalf of manufacturers and retailers who are clients of the businesses.

Servicios Domestic & General España S.L. – There is very little activity in this entity.

Domestic & General Service Gmbh - Dormant

Domestic & General Insurance Services Limited - The principal activity of the company is insurance broking. Whilst the company has not traded in the current and prior years, the Directors continue to review opportunities to re-commence trading.

Inkfish Financial Services Limited - The principal activity of the Company is insurance broking. The company has not traded in the current year.

Supervision

Contact details of the PRA, FCA and APRA can be found on the respective websites:

PRA – http://www.bankofengland.co.uk/pra
FCA - https://www.fca.org.uk/
APRA - http://www.apra.gov.au/

External Auditors

The Group's statutory annual financial statements and the SFCR are audited by KPMG LLP, who can be contacted at 15 Canada Square, London E14 5GL

A.3 Underwriting performance

Underwriting performance is derived from DGI.

We have identified key performance indicators (KPIs) measuring the financial performance and strength of DGA Group.

Year on year KPIs are:

DGA'S Group KPIs	2019 £000	2018 £000
Gross Premiums Written	451,698	331,659
Earned Income	324,538	315,626
Claims Incurred	132,318	119,736
Technical account	35,350	35,470
Investment Income	1,703	1,934
Profit before tax	37,053	37,404
Claims ratio	40.8%	37.8%
Technical ratio	10.9%	11.2%
Combined ratio	89.1%	88.8%

Gross Premiums Written (GPW) - consists of amounts invoiced in respect of warranty insurance business net of cancellations and exclusive of Insurance Premium Tax (IPT). This has increased by 36.2% as a result of the UK business moving a large proportion of its current discretionary service plan business (DSP) to insurance. There was a 6.0% decrease in International, reflecting the run off of the MSH mobile phone cover that was provided in Germany.

Earned income - represents the amount of premium recognised in the current year relating to insurance business, net of cancellations, in accordance with the earnings patterns applied to each contract. Earnings commence when the policy goes "on-risk". This has increased by 2.5% which is less than GPW. UK is lower due to Indeterminate contracts (discussed in A.5.4) where the premiums are disproportionately higher than earnings from the fee gross up.

Claims Incurred/Claims Ratio – expressed as a proportion of earned income, claims incurred have increased by 3.0 percentage points to 40.8%. The claims ratio is higher in the UK from the additional cover provided on Sky contracts including preferred viewing priorities.

Technical ratio – the technical result reflects the profitability of the general business before direct costs. The technical ratio is calculated as the technical account result relative to earned income. As a result of the increased claims ratio, the technical account performance decreased by 0.3 percentage points to 10.9%.

A.4 Investment performance

Investment performance is derived from DGI.

DGI's investment strategy is to invest in cash, money market funds or short-term bonds within guidelines approved by the Group Investment and Capital Committee.

	2019 £ 000	2018 £ 000
Deposits with credit institutions	6,791	21,792
Money market funds	16,905	13,861
Available for sale financial instruments	98,057	100,476
Other investments	9	9
	121,762	136,138

Investment income comprises interest income and realised and unrealised gains and losses on financial instruments at fair value through profit or loss. Investment income decreased to £1.7m (2018: £1.9m) as the low interest rate environment continued to prevail. The overall interest return on the deposit, cash and fund portfolio has been at an annual rate of 1.4 % (2018: 1.4%).

B. SYSTEM OF GOVERNANCE (unaudited)

Through DGI, the sole insurer trading in the Group in FY19, the Group has established a risk management and control framework which seeks to protect the business from events that hinder achievement of its objectives and financial performance, including failure to exploit opportunities. The DGI Board of Directors/ARC identifies potential risks and uncertainties that could have a material impact on performance and puts in place internal processes and controls designed to mitigate each risk.

Proper and ethical business conduct is embedded into the day-to-day business. There is a robust risk appetite and policy framework which senior management and the Board ensure pervades all activities. The Company has established appropriate controls and monitoring over product design, selling processes, customer service and complaints which underpins low complaint rates and high customer satisfaction.

DGI has established Conduct Standards Committees for both the UK and international businesses, chaired by the Chief Financial Officer, which meet bi-monthly and have a specific mandate to set and monitor the Company's conduct standards and policies in relation to customers, and to promote the Company's conduct standards culture throughout the organisation. The Board is focused on corporate conduct related matters including comprehensive management information and reporting in Board packs that are considered in Board meetings to ensure the highest standards are maintained and the agenda is set at the very top of the organisation.

B.1 Governance structure

As DGI is the sole material entity within the Group, governance applicable to the Group is managed at DGI level with the common directorships ensuring Group representation. The Governance Structure operating within DGI can be summarised as follows:

Governance Function	Governance Role & Responsibilities
DGI Board	- Sets the Company's Corporate Governance Policy & Agenda - Ensures that that Company's strategy and policy are in accordance with PRA/FCA & general corporate governance and risk management requirements and guidance. - Reviews and acts on the audits undertaken by the External Audit, Internal Audit and Compliance & Risk functions - Allocates appropriate resource to meet Governance obligations

Audit and Risk Committee	- Monitors the integrity of financial statements, and the effectiveness of the Company's internal controls and risk management systems, including its Risk and Internal Audit functions
Group Risk Committee	- Monitors, reviews and proposes changes to the Group's risk and compliance exposure - Provides risk oversight over DGI, which is one of the main operating entities in the group. - Assesses the effectiveness of the Group risk management framework, including tracking adherence to risk appetite on a continuous basis - Assesses compliance with applicable conduct and prudential regulatory requirements, including the rules set by the FCA and PRA - Monitors and challenges the key outputs of the Conduct Standards Committee ('CSC') and International Conduct Standards Committee ('ICSC')
Internal Audit	- Audit Programme reviews the effectiveness of the systems & controls in meeting the Governance & Risk Management objectives - Reports its findings to the DGI Board & the Audit and Risk Committee
Compliance and Risk Function	- Monitoring Programme reviews the effectiveness of the systems and controls in meeting the requirements of the FCA and PRA - Reports its findings to the DGI Board & the Audit and Risk Committee

In addition to the governance structure above, our external auditors review the integrity and accuracy of the statutory financial reporting, as part of the annual audit in accordance with Companies Act requirements. The Audit and Risk Committee monitors the findings from the external audit.

Board of Directors and Senior Management Functions

DGI's Board comprises of Directors and Non-Executive Directors who are responsible to the shareholder and other stakeholders for ensuring that the Company is appropriately managed and that it achieves its objectives. The Board meets at least 6 times per year to determine the Company's strategic direction, to review the operating and financial performance and to oversee that the Company is adequately resourced and effectively controlled.

The directors of DGI who served in the year were:

D. Tyler
B. Merry
I Mason
T Hinton

The directors of DGA who served in the year were:

Tom Hinton

The table below summarises the Senior Managers of DGI and their respective controlled functions:

Name	Function	Description of function
David Alan Tyler	SMF9	Chair of the Governing Body
Barbara Merry	SMF10	Chair of the Risk Committee
	SMF11	Chair of the Audit Committee
	SMF14	Senior Independent Director
Ian Mason	SMF1	Chief Executive Officer
Thomas Edward Hinton	SMF2	Chief Finance Officer
	SMF20	Chief Actuary
Thomas James Hughes	SMF4	Chief Risk Officer
	SMF16	Compliance Oversight

Joseph Fitzgerald	SMF23	Chief Underwriting Officer
Steven Anthony Purser	SMF18	Other Overall Responsibility
Michael Sturrock	SMF24	Chief Operations
Denise Elizabeth Catherine Allan	CF1	Director (Appointed Representative - Sky)
Gillian Noble	CF1	Director (Appointed Representative – Scottish Power)
Robin Peveril Hooper	SMF7	Group Entity Senior Manager
	SMF12	Chair of the Remuneration Committee
Peter William James Rutland	SMF7	Group Entity Senior Manager
David William Wells	SMF7	Group Entity Senior Manager

The responsibility for drafting and reviewing reporting to the supervisory authorities depends on the nature and content of the reporting – the Solvency Financial Condition Report is the responsibility of Thomas James Hughes.

The DGI Board approves the Regulatory Supervisory Report and the annual Quantitative Reporting Templates.

Board Committees

Audit & Risk Committee (ARC)

The Audit & Risk Committee is a key governance committee which oversees and manages risk (including regulatory risk). Under its terms of reference, the ARC should meet at least three times a year and in FY19 met four times.

The Committee has an established annual plan of work, and its responsibilities include: review of the appropriateness of the Company's accounting principles and procedures; review of the effectiveness of the audit process and the relationship of the Company with its external auditors including the level and nature of non-audit services; review of the effectiveness of the internal audit function; and review of the effectiveness of the Company's internal controls, in particular, regulatory compliance and risk management.

In parallel, the Group Audit & Risk Committee ensures that all group subsidiaries (across all jurisdictions) are reviewed and monitored and that there is consistency and clearly communicated, effective financial reporting processes, risk frameworks and compliance monitoring processes in place. For this reason, DGI's Independent ARC Chair (B. Merry) also attends the Group ARC meetings to ensure that there is a consistent approach and to report to the Group Committee on any material matters which should be brought to the attention of the Group. Therefore, to draw a distinction between the two committees, the setting and review of group-wide policies is a matter for the Group ARC, whilst DGI's ARC serves to monitor and review its own policies, and make decisions which are in the best interests of DGI and report to the Group ARC as appropriate. The DGI ARC has the capacity to raise any conflicts of interests or potential conflicts of interest between DGI and the Group. The General Counsel and Company Secretary attends both meetings for consistency and is available to both Committees should any need arise.

Remuneration Committee

The Group Remuneration Committee covers all Group companies including DGI. Under its terms of reference, the Remuneration Committee should meet at least once a year and in FY2019 met five times. The Committee has responsibility for determining the overall framework and policy for remuneration of the Chairman, the independent non-executive directors, the executive directors and senior executives of the Group. The remuneration policy for executive directors and senior management is to ensure they are provided with appropriate incentives to encourage appropriate customer outcomes as well as enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group. The Committee also:

- Approves the design of, and determine targets for, any performance related pay and bonus schemes;

- Reviews and approves the appointment or termination of employment of any employee whose base salary is in excess of £120,000;
- Determines the policy for and scope of pension arrangements, service agreements for the Executive Management, termination payments and compensation commitments;
- Reviews and approves the establishment of any pension, retirement, death or disability or life assurance scheme; and
- Oversees any major changes in employee benefit structures.

Management Governance Committees

The Board delegates the day to day operations of the business to the Executive Committee. The Executive Committee (ExCo), chaired by the CEO, comprises the CEO, CFO and other members of the senior management team (together the 'Executive Management').

Following a review of Domestic & General's internal governance framework, effective 1st April 2019, additional management committees were established across the business to enable Executive Management to manage and oversee the Company's activities and discuss any recommendations for the ExCo or ARC or Board to consider and approve. A summary of roles and responsibilities are outlined below:

Executive Committee

The ExCo meets weekly and its purpose is to generally manage the business of the Group according to the strategy set by the Board from time to time. Subject to those matters which are reserved to the Board (or Board committees), the ExCo has operational authority for:

- The day-to-day management of the Company's strategy, operations and business development;
- Reviewing company risks and issues and incorporating considerations within the planning and budgetary process;
- Monitoring the Company's adherence to regulation and compliance;
- Reviewing key people risks and issues;
- Ensuring strategic transformation programmes are aligned to the organisation's strategy; and
- Acting as an escalation point for issues raised from the Company.

Group Risk Committee (GRC)

The Group Risk Committee was formed in June 2018 and monitors and assesses the effectiveness of the Group risk management framework, including tracking adherence to risk appetite on a continuous basis. This committee also provides risk oversight over DGI which is one of the main operating entities in the Group. The GRC typically meets monthly and in the last year met 9 times.

The Committee's responsibilities include assessing the effectiveness of the Group risk management framework, compliance with applicable conduct and prudential requirements and monitoring adherence to risk appetite and escalating key matters, and where relevant, recommendations for approval to ExCo or ARC or Board on a timely basis.

Conduct Standards Committee

The purpose of the Conduct Standards Committee (CSC), chaired by an Executive Director (Chief Financial Officer), is to:

- Review emerging conduct issues and identifying and addressing root causes;
- Agree and set the D&G conduct standards, principles and policies in relation to customers;
- Promote our conduct standards culture throughout the organisation;

- Ensure processes and controls are in place and properly monitored;
- Recommend actions and improvements to the business for implementation; and
- Report to the Group Risk Committee on conduct risk KRIs and areas for improvement.

The Committee covers both the UK and the International businesses.

Product & Pricing Governance Committee

The Product & Pricing Governance Committee (PPGC) reports to the Group Risk Committee. The PPGC remit is to:

- Oversee the activity of designing new products or modifying or developing existing products within Domestic & General;
- Ensure Domestic & General's standards are understood and applied when carrying out product development, and
- Ensure Domestic & General products in-market continue are priced fairly, provide value for money and meet the service levels agreed and expected.

The scope of the PPGC covers three defined areas of product development and focusses specifically on the customer impact, these being:

- New products & modification: designing new products or modifying or developing existing products;
- Channel & Client Development: development of new channels for existing products; changes to an existing channel; and rollout of an existing product/terms and conditions for a new client; and
- Promotional offers: marketing incentives and payment methods for existing products and channels.

In addition to these areas of product development, PPGC also reviews the performance of Domestic & General products in-market, ensuring they continue to meet the stated objectives of the target market and provide good customer value.

UK Operations Committee

The purpose of the Committee is to oversee all UK operations ensuring trading performance and customer service are delivered in line with ExCo and Board expectations as well as ensuring operational risk is appropriately managed and responsibilities related to regulators (e.g. FCA and PRA) and our Operations employees are effectively discharged. The Committee is responsible for both operational and strategic decision-making related to Operations.

Finance & Trading Committee

The purpose of the Committee includes the following:

- To optimise trading performance versus the fee and acquisition cost budget;
- To ensure that any variances to the fee and acquisition cost budget are fully understood and have appropriate action plans;
- Ensure that customer satisfaction is not being affected by trading decisions;
- Agree a 3-month future trading outlook and test readiness for the upcoming 3 months trading; and
- Provide a trading update for the Early Trading View and Month End Performance Review.

The Committee has a collective responsibility for the fee and acquisition cost budget, however individual Trading Group attendees are accountable for the trading performance of their respective trading area. Each accountable member of each trading area is responsible for producing to the Committee the following:

- Outlook for next 3 months trading;

- Analysis of any variance to the fee and acquisition cost budget (format prescribed);
- Action plan to remedy the variance;
- Updates against the action plan.

The role of the Trading Group is to then agree the analysis presented, provide constructive input into the content of the action plans and support in delivering the action plans.

Group Investment & Capital Committee

The Group Investment and Capital Committee (ICC) purpose is to review, direct and evaluate the performance of:

- Investment decisions and investment decisions making processes for the Group;
- Capital management, distribution planning and execution within the Group;
- The Group's compliance and conformance to the EIOPA requirements on systems of governance and wider applicable elements of the Solvency II regime.

The Committee ensures that investments are appropriate with respect to DGI's obligations to meet its liabilities and satisfy the prudent person principles. Key matters discussed by the Committee which require further escalation or approval will be reported to the Finance and Trading Committee, ExCo and the Audit and Risk Committee (ARC) on a timely basis as appropriate.

Technology & Change IT Oversight Committee

The purpose of the Committee is to ensure that the IT strategy is aligned fully to the company strategy of consistently providing fair customer outcomes. The Committee oversees the operations of all IT functions:

- Change, Solution Delivery, Service Management and Operations, Architecture and Design Management, and IT Security.

The Committee establishes and oversees IT procedures (including governance) for all IT projects and is responsible for the successful delivery of Business Continuity, IT Disaster Recover Plans and the Physical Access Policy. In addition, the Committee oversees all key IT platforms and applications.

Business Planning Committee

Empowered by ExCo (and on their behalf) to shape the portfolio of change to align with the company vision, strategy and 5 Year Growth Plan, approved by the Board. The Business Planning Committee facilitates the prioritisation of initiatives across the portfolios within their agreed budget envelopes. The Committee drives the annual planning process and create the plan and budget submission for ExCo approval.

B.2 Fit and proper requirements

DGA, through DGI, is committed to ensure that all persons who effectively run the Group or its entities or have other key functions are at all times fit and proper within the meaning of Article 42 of directive 2009/138/EC in accordance with the applicable rules of national competent authorities and fulfil their responsibilities under the Senior Managers and Certification Regime (SMCR). DGA is also committed to ensure that all persons who effectively run the Company or have other key functions are fit and proper within the regulatory requirements (SYSC).

Definition

Fitness and Propriety is the assessment (prior to undertaking a role) to ensure the appropriate fitness and propriety of an individual to perform the particular function. The assessment considers aspects such as the individual's honesty, integrity and reputation, competence and capability and financial soundness.

Requirements

General

DGI implements appropriate and proportionate processes and procedures to ensure that:

- persons who effectively run the Company or have other key functions are fit and proper within the meaning of Article 42 of Directive 2009/138/EC, as required by the rules of the PRA/FCA and/or other national competent authorities;
- the members of the management or board collectively possess appropriate qualification, experience and knowledge about:
  - insurance and financial markets
  - business strategy and business model
  - system of governance, financial and actuarial analysis and
  - regulatory framework and requirements.

Assessment

In accordance with the Senior Managers & Certification Regime (SM&CR) the assessment of whether a person is fit and proper includes, where appropriate:

- an assessment of the person's professional and formal qualifications, knowledge and relevant experience;
- an assessment of the person's honesty and financial soundness based on evidence regarding their character, personal behaviour and business conduct including any criminal, financial and supervisory aspects relevant for the purpose of the assessment.

All persons holding key functions within the business are subject to an assessment of their fitness and propriety. The relevant regulator must be satisfied as to the person's honesty, integrity and reputation, competence and capability for the role that the person is to assume in the firm and their financial soundness. Pre-employment checks are also undertaken including:

- References from previous employers, all roles
- Criminal record checks, all roles
- Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) requirements, particularly for Senior Managers under the SM&CR, including evidence of qualifications
- Professional qualifications and membership checks
- Highest education verification
- Medical questionnaire

A periodic re-assessment of ongoing fitness and propriety may, where appropriate, be carried out through e.g. completion of an appropriately worded form and declaration documenting and, where appropriate, reporting and acting on any changes to an individual's fitness and propriety from that previously reported.

In the case of outsourcing of key functions in accordance with Article 42 and 49 of Solvency II Directive, DGI complies with the requirements of the FCA and/or local regulators where relevant to:

- apply similar fit and proper procedures in assessing persons employed by the service provider or sub service provider to perform an outsourced key function; and
- (where required) designate a person within DGI with overall responsibility for the outsourced key function who is fit and proper and possesses sufficient knowledge and experience regarding the outsourced key function to be able to challenge the performance and results of the service provider.

B.3 Own Risk and Solvency Assessment (ORSA)

The Director of Corporate Finance and the Risk Management team work closely together to ascertain the potential impact on capital from the crystallisation of a broad variety of risks through the Own Risk and Solvency Assessment (ORSA) process which is used to assess the level of capital that should be retained by the Company. This process considers all the material risks faced by DGI and includes stress tests applied to business plan financial projections by varying assumptions for future experience.

DGI makes use of Undertaking Specific Parameters (USPs) in its application of the Solvency II standard model. Based on this model, and on its assessment of risk and solvency requirements, it remains well capitalised.

B.4 Internal control system

The Board has the overall responsibility for maintaining the systems of internal control of DGI and for monitoring their effectiveness, while the implementation of internal control systems is the responsibility of the executive management. DGI's systems of internal control are designed to minimise the risk of failure to achieve business objectives.

The systems are designed to:

- Safeguard assets;
- Maintain proper accounting records;
- Provide reliable financial information;
- Identify and manage business risks;
- Ensure delivery of fair customer outcomes
- Maintain compliance with appropriate legislation and regulation; and
- Identify and adopt best practice.

The Company has an established governance framework, the key features of which include:

- Terms of Reference for each of the Board's Committees and other governance committees;
- A clear organisational structure, with documented delegation of authority from the Board to executive management;
- A policy and procedures framework, which sets out risk management and control standards for the Company's operations;
- Defined procedures for the approval of major transactions; and
- Regular MI and reporting.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by DGI. DGI's risk management and control framework is designed to support the identification, assessment, monitoring, management and control of risks that are significant to the achievement of its business objectives. DGI has a set of formal policies which govern the management and control of both financial and non-financial risks.

B.5 Internal audit function

The Internal Audit function is outsourced to Grant Thornton LLP, which reports to the Chairman of the Audit and Risk Committee, as well as the Chief Financial Officer for day to day operational matters.

Internal Audit is an independent, objective assurance and consulting function designed to add value and improve DGI's operations. It helps DGI accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control, and governance processes. The Internal Audit Function provides increased risk coverage and measurable value to the business by identifying and performing assurance and consulting engagements. Internal Audit produces an annual Risk-Based Internal Audit Plan based on an extensive risk assessment of all identified auditable units. The Internal

Audit findings and recommended appropriate courses of action for the enhancement of risk management, internal control, and governance are communicated to management and the Audit and Risk Committee.

Organisational independence is effectively achieved as the function is outsourced, and reports to the Audit and Risk Committee. Furthermore, the Internal Audit function is free from executive management interference in determining the scope of internal auditing, performing work, and communicating results.

Based on the results of the risk assessment, the auditable units are ranked into priority areas. The risk assessment is enhanced with the feedback of the key stakeholders and the use of the risk register created by the business and compiled by the Risk Function. Also, the Internal Audit plan is approved by the Audit and Risk Committee and revisited regularly to allow flexibility should the risk environment change.

Moreover, the Internal Audit function promotes action on audit recommendations and reinforces staff commitment to results through application of sound monitoring and follow-up systems. Internal Audit report monthly to ExCo on overdue Internal Audit actions and verify closure of all actions by assessing the evidence supplied by the business.

None of the Internal Audit staff are employed by the Company.

B.6 Actuarial function

DGI's actuarial function is outsourced to Milliman. Reporting to the Board it carries out the formal role of the actuarial function under Article 48 of the Solvency II Directive, which is to report formally on technical provisions, reinsurance and underwriting policy.

B.7 Compliance

DGI has an in-house Compliance and Risk function to identify relevant regulatory requirements and ensure that the Company implements the necessary arrangements, systems and controls so as to facilitate adherence to these obligations. The ARC agrees the annual Compliance Monitoring schedule and all findings from the periodic reviews are reported back to the ARC. The findings may contain recommendations which are closely monitored and closed by the Compliance and Risk function.

B.8 Article 246(4) of Directive 2009/138/EC

The Group has made use of the option provided for in the third subparagraph of Article 246(4) of Directive 2009/138/EC and prepared the Own Risk and Solvency Assessment (ORSA) at a group level.

B.9 Outsourcing arrangements

This section sets out the requirements that are addressed in any outsourcing arrangement. The policy aims to ensure that in respect of outsourcing, DGA has undertaken appropriate due diligence and has in place appropriate contractual arrangements and standards.

When entering into an outsourcing arrangement, due consideration is given to the following matters, where appropriate:

- A risk assessment is undertaken to consider whether and how activities can be appropriately outsourced, considering the experience and resources of proposed outsourcer and assess any necessary mitigations to put in place;
- Appropriate due-diligence is carried out in selecting outsourced providers, including information security due-diligence;
- Conflict of interests are declared if they exist or have arisen;
- New contracts and renewals of existing contracts are approved in accordance with D&G's delegated authority framework;
- The relationship is governed by appropriate contracts, service level agreements and business standards;
- The outsourcing agreement:

- requires compliance with any legal and regulatory obligations (including SYSC 8 and Solvency II) regarding outsourcing including, where relevant, ensuring that the material outsourcing arrangements continue to meet D&G's obligations to customers, stakeholders or regulators,
- provides for an appropriate level of governance and ongoing management of the outsource provider;
- ensures that D&G customer records are appropriately protected and confidential;
- includes appropriate procedures, controls, management information, including contingency planning and disaster recovery;
- ensures that D&G has appropriate supervision, oversight and rights of audit to satisfy itself of the good management of the third party;
- ensures that the outsource provider adheres to the same operational standards as D&G so as to protect D&G against legal or reputational risks;

- Where necessary, the Compliance team is consulted to check whether notification is made to the relevant regulatory bodies of significant outsourced arrangements as they arise or change; and
- There is an ongoing assessment process in place to ensure the outsourced provider continues to be appropriate and meets D&G's requirements.

Material related party outsourcing arrangements include:

- Domestic & General Services Limited (DGS), a group company, provides DGI with services to support the promotion and administration of its insurance policies to consumers. DGS is an Appointed Representative of DGI. The services provided by DGS include general policy administration, sales and sales administration, pricing, network repair management services, telephone services and mailing and fulfilment services.

Other outsourcing arrangements are as follows:

Outsourced Arrangement	Jurisdiction
DGI sources repair and replacement services directly from manufacturers or through 3rd party repair companies using manufacturer-accredited service engineers. These arrangements are managed by clear contractual responsibilities, service level agreements and monitoring of performance. The majority of repair rates are contractually fixed on an annual basis.	All countries DGI operates in
DGI's products are sold directly or through retailers and manufacturers	All countries DGI operates in
DGI outsources some Call Centre functions, including sales claims and post sales administration to third party providers subject to quality monitoring and service level agreements	United Kingdom, Germany, France, Italy, Poland and Australia
Internal Audit function is provided by a third party, Grant Thornton, outside of the group	All countries DGI operates in
Actuarial function is provided by a third party, Milliman, outside of the group	All countries DGI operates in

B.10 Assessment of the adequacy of systems of governance

DGI has undergone a review of its systems of governance and has received independent validation confirming full operational compliance with EIOPA's Systems of Governance requirements. DGI continues to focus on ensuring that its systems of governance remain adequate for the nature, scale and complexity of the business.

B.11 Other material information

There is no other material information, changes or material transactions during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body regarding DGI's system of governance to report.

C. RISK PROFILE (unaudited)

DGI operates a "three lines of defence" model.

Risk management is embedded within the first line of defence from a top-down perspective through the articulation and communication of the Board's risk appetite and from a bottom-up perspective through the operation of risk registers. Risk owners are clearly identified across the business and take responsibility for the risks in their areas

A suite of Key Risk Indicators ("KRIs") is in place and continues to be developed to support the capture of existing and emerging risks, with areas such as controls testing, event reporting and project risk reporting regularly reviewed.

The second line of defence consists of the Compliance and Risk function overseen by the CRO, who directly reports into the CEO. The CRO also has a reporting line into the Chair of the DGI ARC, who is an Independent Non-Executive Director of DGI, to ensure appropriate independence of the function. The second line function reviews and challenges outputs from the first line of defence set out above.

The third line of defence consists of an outsourced Internal Audit Function provided by Grant Thornton. The Internal Audit Function reports to the CFO and the Chair of the ARC. The second line function is subject to periodic audit from the independent third line.

Milliman has been appointed as external actuary and has assisted with the development of DGI's USP, SCR and technical provision calculations and with its Solvency II reporting requirements.

Current Risk Profile

DGI performs an ongoing process of risk assessment and reporting to the ARC, based on the risk reporting through the risk management support software, Magique. The Company's risk appetite is reviewed by executive management and the Board to ensure it remains appropriate to the business as it grows.

A summary of the principal risks and uncertainties facing the Company is shown below:

C.1 Underwriting risk

The underwriting risk is the main component of the Company's risk profile as shown in section E.2.1.

Underwriting risk is the potential adverse financial impact that combined claims and repair, acquisition and administration costs, exceed the estimated costs built into the pricing models applied.

Underwriting risk is managed through underwriting controls, pricing policies, approval procedures for new products, regular review of performance and monitoring of emerging issues.

C.2 Market risk

Market risk is the potential adverse financial impact of changes to interest rates. The Company's greatest risk to changes in interest rates arises from its investment portfolio.

Interest rate risk within the investment portfolio is managed actively by the Company's Treasury function. Interest rate risk on cash balances is not hedged unless of strategic importance to the underlying business.

Interest rate risk on available for sale investments is managed by investing within strictly controlled investment criteria that specify, amongst other things, maximum durations.

C.3 Credit risk

Credit risk is the potential adverse financial impact of loss in value of financial assets due to counterparties failing to meet all or part of their obligations.

The largest credit risks to the Company are in relation to deposits with credit institutions, money market funds, available for sale investments and trading debtors. The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties.

Deposits can only be placed with banks or building societies having credit limits approved by the Board. Counterparty exposure is subject to constant review. Available for sale investments are managed by an external fund manager within investment management terms that specify, amongst other things, minimum credit ratings and maximum duration.

Internationally there are a number of contracts with major long standing clients, with exposure on the monies owed to DGI at any one time. However, DGI closely monitors outstanding debt and is in constant dialogue with the clients and is therefore in a position to act swiftly to mitigate any loss in the event of a major client running into financial difficulties.

Trading and insurance debtors are amounts receivable from policyholders and are by their nature high volume but low value. Credit risk exposure is minimal; if the instalment debtor lapses DGI cancels the cover provided.

The financial information only includes consolidated companies as the rest are participations, hence DGI's numbers have been reflected below.

Credit ratings of significant classes of financial assets

	A rated (or above) Institutions 2019 £ 000	B rated (or below) Institutions 2019 £ 000	Unrated 2019 £ 000	Total 2019 £ 000
Cash and cash equivalents	5,460	-	-	5,460
Money market funds	16,905	-	-	16,905
Available for sale investments carried at fair value	82,979	14,384	-	97,363
Deposits with credit institutions	6,791	-	-	6,791
Debtors	-	-	260,307	260,307
	112,135	14,384	260,307	386,826

	A rated (or above) Institutions 2018 £ 000	B rated (or below) Institutions 2018 £ 000	Unrated 2018 £ 000	Total 2018 £ 000
Cash and cash equivalents	12,815	-	-	12,815
Money market funds	13,861	-	-	13,861
Available for sale investments carried at fair value	81,637	18,839	-	100,476
Deposits with credit institutions	21,792	-	-	21,792
Debtors	-	-	135,676	135,676
	130,105	18,839	135,676	284,620

The Company has implemented policies that require appropriate credit checks on potential trade partners before sales commence.

The amount disclosed in the balance sheet for financial assets represents the Company's maximum exposure to credit risk.

Past due or impaired financial assets

The table below sets out an analysis of the Company's assets (*see below*), showing those which are past due, or impaired *(based on the UK GAAP balance sheet)*. Categories of financial assets for which there are neither past due or impaired balances have not been included below.

		Debtors 2019 £ 000
Not past due		326,263
Past due (days)	0 - 30	91
	31 - 60	370
	61 - 90	140
	Greater than 90	91
Provision		(465)
Carrying amount		326,490

		Debtors 2018 £ 000
Not past due		199,001
Past due (days)	0 - 30	47
	31 - 60	45
	61 - 90	40
	Greater than 90	91
Provision		(516)
Carrying amount		198,708

The Company's assets (as shown on the face of the balance sheet) include:

	2019 £000	2018 £000
Debtors arising out of direct insurance operations	254,909	134,776
Other debtors	4	900
Accrued interest and rent	37	67
Other prepayments and accrued income	79,424	62,965
	334,374	198,708

The Company considers notified disputes and collection experience in determining which assets should be impaired.

C.4 Liquidity risk

Liquidity risk is the possibility that we do not have sufficient available liquid assets to meet our obligations as they fall due.

An important aspect of the Company's management of assets and liabilities is ensuring that cash is available to settle liabilities as they fall due. The most significant payments are claims and repair costs. The profile of claims and repair cost payments are highly predictable. The Company maintains cash and liquid deposits to meet demands on a daily basis.

Contractual maturity analysis:

The table below summarises the maturity profile of the Company's financial liabilities based on remaining undiscounted contractual obligations where the maturity profile is an analysis by estimated timing of the amounts recognised in the balance sheet. The financial information only includes consolidated companies as the rest are participations, hence DGI's numbers have been reflected below.

	Claims & repair costs 2019 £ 000	Creditors 2019 £ 000	Total 2019 £ 000
0 - 90 days	**15,154**	**72,239**	**87,393**
91 days - 1 year	**-**	**6,061**	**6,061**
1 - 3 years	**-**	**3,407**	**3,407**
3 - 5 years	**-**	**1,768**	**1,768**
Greater than 5 years	**-**	**68**	**68**
Total	**15,154**	**83,543**	**98,697**

	Claims & repair costs 2018 £ 000	Creditors 2018 £ 000	Total 2018 £ 000
0 - 90 days	12,537	72,339	84,876
91 days - 1 year	-	10,429	10,429
1 - 3 years	-	3,554	3,554
3 - 5 years	-	716	716
Greater than 5 years	-	440	440
Total	12,537	87,478	100,015

C.5 Operational risk

Operational risk arises as a result of inadequately controlled internal processes or systems, human error or from external events.

Operational risks are usually more difficult to quantify, so their materiality is assessed using a likelihood/impact scoring approach. This allows risks to be ranked in order of their potential impact and so to focus risk management activities on those risks warranting the greatest attention. Detailed risk registers show that appropriate risk controls exist for the core insurance and financial risks (i.e. underwriting, claims, financial and investment) and established business areas within the UK. These are regularly monitored and updated.

C.6 Other material risks

Strategic risk reflects the continuing changes in market dynamics and its consequent impact on demand for the Company's services. This is mitigated by a resilient business model, expertise in chosen markets and product development and innovation.

Technology risk is the risk of failure of IT hardware and software, networks and communications, including failure to implement new systems effectively. This risk is mitigated by investment in appropriate technology and staff, and by business continuity planning.

Conduct risk is the risk of a failure to consistently deliver fair customer outcomes, in line with relevant laws, regulations and standards in the UK and overseas. This risk is mitigated by appropriate first line controls, dedicated compliance and legal teams and active monitoring of product development and treatment of customers to ensure DGI meets all applicable regulations; involvement of appropriate legal resource and expertise in contract negotiations and dispute resolution; training and competence programmes for staff; strong product design, sales and customer marketing standards; and specialised expertise in local markets.

Given its plans to grow in Europe, DGI recognises the potential risks to the strategy presented by Brexit. The main risks can be summarised as follows:

- DGI currently writes insurance in the EEA using freedom of establishment and service passporting rights. There is a significant risk that DGI will lose the benefit of such passporting rights in the EEA in the event the UK withdraws from the EU without a ratified agreement between the UK and the EU providing for (i) UK insurers to continue to carry on direct insurance with customers in EEA Member States other than the UK or (ii) transitional arrangements preserving the ability for UK firms to rely on passporting rights into other EEA Member States from the UK in relation to direct insurance business for a temporary extended period.
- In light of this, the Group has, pending the final outcome of the Brexit negotiations, reviewed and considered certain strategic options for its future in Europe. The Group has established a new licenced insurance entity, DGIEU in Germany, which is expected to acquire the existing book of insurance business in respect of policies held by customers in EEA Member States (other than the UK) from DGI pursuant to a Part VII transfer under FSMA. This would provide the Group with sufficient legal certainty with regards to the operation of the existing book of insurance business. The establishment of DGIEU also provides the Group with the ability to conduct new insurance business for customers based in EEA Member States other than the UK in the future, following the exit of the UK from the EU.
- The Part VII transfer is currently pending a final hearing with the UK High Court to sanction the scheme. As a result of the formal extension of the Article 50 deadline to 31 October 2019, the Group has postponed the implementation of the Part VII transfer. The Group expects to schedule a final hearing date pending a final decision by UK Parliament and the EU regarding the likely form and timing of the UK's withdrawal from the EU. The Group continues to review its strategic options regarding the Part VII transfer against the broader context of the ongoing Brexit negotiations between the UK and the EU.
- There is no assurance that the Group will be able to successfully effect the Part VII transfer before the UK withdraws from the EU, or at all, or in the form currently proposed. In the event that the Part VII transfer is not effected, or not effected before the UK withdraws from the EU without an appropriate deal, the Group may face a lack of legal certainty regarding its ability to service its existing book of insurance business with customers based in EEA Member States (other than the UK) following the exit of the UK from the EU.

- There is also a risk that UK regulation may diverge from EU regulation over time following the UK's withdrawal from the EU, which would increase the compliance burden on the Group and is likely to lead to increased costs for the Group. The uncertainty and unpredictability with respect to the UK's legal, political, financial and economic relationship with the EU after Brexit and the risk that the Group will not be able to implement the Part VII transfer could have material adverse effect on the Group's business, financial condition and/or results of operations.

C.7 Risk concentration

DGI has several material clients that if lost would impact DGI's ability to reach new customers in order to sell its products and therefore would reduce its customer base for new business. DGI protects its position by entering into multi-year contracts with clients but some residual risk remains.

C.8 Risk sensitivity

DGI has established processes to undertake stress and scenario testing on an ongoing basis, with testing undertaken at least annually. The stress testing process involves a number of senior and operational management and the results of the tests improve the Board's understanding of risk, influence business decisions and form a key part of the risk management framework.

Stress tests carried out in the year include tests on loss ratios, lapse risks, interest rates, credit spreads and currency risk. The tests validated that DGI maintains sufficient capital to withstand these shocks.

C.9 Any other information

There is no other material information, regarding DGI's risk profile to report.

D. VALUATION FOR SOLVENCY PURPOSES

Section D focuses on the Solvency II balance sheet and the valuation of assets and liabilities and shows where these valuations differ to the value in the GAAP accounts. For each material class of assets, technical provisions and other liabilities where there are differences, the following information is provided:

- a description of the bases, methods and main assumptions used in arriving at the valuation for solvency purposes
- quantitative and qualitative explanations of material differences between the bases, methods and main assumptions used for the valuation for solvency and financial statement purposes.

The Solvency II balance sheet is derived from the Group's consolidated GAAP results, adjusted for valuation differences where required. Domestic and General Acquisitions Limited does not prepare Consolidated Financial Statements and the Consolidated GAAP results have been prepared for the purpose of this disclosure.

The consolidated GAAP results are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, available for sale financial assets and financial instruments held at fair value through profit or loss. Under Solvency II, assets and liabilities should be valued on a market consistent basis, which is deemed equivalent to fair value under UK GAAP. Therefore for assets and liabilities which are at fair value under GAAP, these are the same values used for Solvency II. For assets and liabilities that are not stated at fair value under GAAP, adjustments are made to bring these in line with Solvency II where necessary. 'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is measured using assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

The material classes in the Group Solvency II balance sheet are shown in the table below.

Summary Solvency II Balance Sheet

	Solvency II value	Statutory accounts value	Difference
	£'000	£'000	£'000
Assets			
Deferred acquisition costs	0	151,777	-151,777
Intangible assets	0	616	-616
Property, plant & equipment held for own use	3,000	3,671	-671
Investments (other than assets held for index-linked and unit-linked contracts)	128,852	160,882	-32,030
Property (other than for own use)			
Holdings in related undertakings, including participations	7,091	3,245	3,846
Bonds	98,381	97,674	707
Government Bonds	34,302	34,204	98
Corporate Bonds	60,127	59,524	603
Collateralised securities	3,952	3,946	6
Collective Investments Undertakings	16,581	16,594	-13
Deposits other than cash equivalents	6,791	43,361	-36,570
Other investments	9	9	
Insurance and intermediaries receivables	7,208	254,909	-247,702
Receivables (trade, not insurance)	17,687	24,866	-7,179
Cash and cash equivalents	5,477	5,460	17
Any other assets, not elsewhere shown	59,342	79,450	-20,108
Total assets	221,566	681,632	-460,066
Liabilities			
Technical provisions – non-life	-4,084	474,122	-478,206
Technical provisions – non-life (excluding health)	-4,084	474,122	-478,206
Best Estimate	-8,932	0	-8,932
Risk margin	4,848	0	4,848
Deferred tax liabilities	8,990	394	8,596
Debts owed to credit institutions	193	193	
Financial liabilities other than debts owed to credit institutions	111	445	-334
Insurance & intermediaries payables	36,975	38,224	-1,250
Payables (trade, not insurance)	388	21,265	-20,877
Any other liabilities, not elsewhere shown	21,936	24,053	-2,117
Total liabilities	64,509	558,696	-494,187
Excess of assets over liabilities	157,057	122,935	34,121

D.1 Assets and Liabilities

Material Class	
• Deferred Acquisition Costs (DAC)	Deferred acquisition costs are valued at nil for Solvency II purposes. Any future cashflows relating to acquisitions costs are either included in the best estimate technical provisions or under insurance and intermediaries payable in the balance sheet.
• Property, plant & equipment held for own use	Property, plant and equipment are held at Fair Value. Plant and equipment which are valued at depreciable value in the GAAP accounts are valued at nil for Solvency II purposes.
• Investments and cash	Investments are held at Fair Value where level 1 inputs can be obtained. Level 1 refers to the first level of the Fair Value hierarchy which categorises valuation inputs into three levels. The hierarchy gives the highest priority (Level 1) to quoted prices in an active market, and the lowest priority to observable inputs in inactive markets (Level 3). Level 1 inputs Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable from the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Material Class	
	The Company's investment portfolio is categorised as Level 1 and 2. The Company has no investments which are Level 3. There is a presentational difference between the GAAP and SII numbers due to accrued interest being included in the SII valuations. Deposits other than cash equivalents comprise cash balances, call deposits and term deposits with an original term date of less than three months. Cash and cash equivalents comprise any cash which can be accessed in no more than one day. The presentational difference between the GAAP and SII numbers arises from the consolidation adjustment, where the total of participations is stripped out.
• Investments in participations	Participations are valued and accounted for using the adjusted net equity method for Solvency II purposes. Participations are shown as a net asset in the participation line under solvency II whereas under GAAP they are consolidated on a line by line basis, stated in accordance with UK GAAP.
• Insurance and intermediaries receivable	Insurance and intermediary receivables are recognised at fair value. To the extent they are not yet due, they form part of the cashflows considered in the best estimate technical provision calculation. (see D.2).
• Other assets not shown elsewhere	Trade and other debtors are recognised at fair value. Other assets include prepayments including a significant balance with a large client in the UK. Prepayments are valued at nil if it cannot be demonstrated that they have a fair value.
• Technical provision – best estimate	Refer to Technical Provisions section (D.2).
• Technical provision – risk margin	Refer to Technical Provisions section (D.2).
• Deferred tax liabilities	The deferred tax liability in the Company Solvency II balance sheet reflects the net deferred tax liability on a Solvency II basis which uses the valuation rules within the GAAP accounts. FRS 101 uses the same valuation method as in IAS 12. The difference reflects the deferred tax impact of the revaluations made between UK GAAP and Solvency II in the other balance sheet line items, primarily the changes to the Technical Provisions (see D.2). The UK GAAP deferred tax balance is a net deferred tax liability.
• Insurance and intermediaries payable	Insurance and intermediaries payable are recognised at fair value. The Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the financial statements approximate their fair values. As the payables have been authorised for settlement they do not form part of the cashflows considered in the best estimate technical provision calculation. The presentational difference between the GAAP and SII numbers arises from the consolidation adjustment, where the total of participations is stripped out and shown under 'Holdings in related undertakings'.
• Payables (trade not insurance)	Payables (trade not insurance) are recognised at fair value. The Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the financial statements approximate their fair values. Payables include IPT liabilities which, as it relates to insurance and intermediary debtors receivable, forms part of the cashflows considered in the best estimate technical provision calculation (see D.2)
• Other liabilities	Other liabilities are measured at fair value. The Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the financial statements approximate their fair values. Other liabilities represent provisions for estimated costs incurred but not yet billed or paid. The presentational difference between the GAAP and SII numbers arises from the consolidation adjustment, where the total of participations is stripped out and shown under 'Holdings in related undertakings'.

D.2 Technical provisions

Technical Provisions – Best Estimate (just applicable to DGI as the only insurance company in the Group)

Best estimate technical provisions by class are as follows:

£000	General Liability	Miscellaneous Financial Liability	Total
Best Estimate 2019	568	-9,500	-8,932
Best Estimate 2018	560	13,199	13,759

Bases, Methods and Main Assumptions

The reserves under UK GAAP are primarily unearned premium reserve based on earning patterns applied to the premiums written and earned out over the policy length. Solvency II technical provisions are based on a future cash flow basis and the UK GAAP provision is removed.

Technical provisions - best estimate

Technical Provisions represent a valuation of the Company's obligations towards policyholders. Under Solvency II these are required to be equal to the probability weighted average of all future cashflows, taking account of the time value of money.

Best estimate technical provisions are comprised of a claims provision and premium provision. The claims and premium provision combined give the expected cost of settling all future claims arising from business that DGI is contractually obliged to cover. This includes an allowance for the expenses of both running the Company and of servicing claims such as claims handling staff costs.

The estimation of future income and costs is based on business already written, as well as business that has not yet incepted, but where the Company is obliged to offer cover i.e. renewals already offered or quoted (Bound But Not Incepted – BBNI).

The claims provision is the discounted best estimate of all future cash-flows relating to claim events which occurred prior to the valuation date. These cash-flows are made up of:

Outgoing cash-flows:

- Claim payments
    - Settling reported claims
    - Settling claims not yet reported
- Expenses
- ENID (Events not in Data) allowance

The premium provision is the discounted best estimate of all future cash-flows relating to future exposure arising from policies that the Company is obligated to at the valuation date. Again these cash-flows are made up of:

Outgoing cash-flows:

- Claim payments, including BBNI policies
- Expenses
- ENID (events not in data) allowance
- Insurance premium tax (IPT) on future premium income

Minus incoming cash-flows:

- Future premiums due on incepted business, from monthly premium payers, with an allowance for cancellations
- Future premiums due on BBNI policies, with an allowance for lapses and cancellations.

Technical Provisions – Risk Margin

£000	General Liability	Miscellaneous Financial Liability	Total
Risk Margin 2019	7	4,841	4,848
Risk Margin 2018	7	4,220	4,227

A further risk margin amount is included within technical provisions. This is equivalent to the amount that an insurance undertaking would be expected to require in order to take over and meet the technical provision obligations.

The risk margin is defined within Article 77 of the Directive as:

"The risk margin shall be such as to ensure that the value of the technical provisions is equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligations"

The Solvency II rules stipulate that the risk margin for the whole portfolio of insurance obligations should be calculated using the following formula:

$$RM = CoC \times \sum_{t \geq 0} \frac{SCR(t)}{(1 + r_{t+1})^{t+1}}$$

where CoC is the cost of capital (prescribed at 6%), SCR(t) is the solvency capital required at time t, and r_t is the risk-free rate for maturity at time t.

The Company uses the second simplification as referred to in guideline 62 of the document Guidelines on the valuation of technical provisions for the calculation of the risk margin, which is applied as follows:

- To approximate the whole SCR for each future year, undertakings can multiply the SCR at the valuation date by the ratio of the best estimate TPs (i.e. those prior to application of the risk margin) at that future year to the best estimate TPs at the valuation date, providing that it is reasonable to assume that the risk profile will be unchanged over time.
- The SCR considered at the valuation date should include the following risks:
  - ✓ Non-life underwriting risk;
  - ✓ Reinsurance counterparty default risk; and
  - ✓ Operational risk.

The SCRs are then discounted to the valuation date using the prescribed EIOPA yield curve, summed, and multiplied by the cost-of-capital factor (presently 6%) to determine the Risk Margin.

Material Changes in Assumptions

There have been no material changes in assumptions applied to the technical provisions during the period.

Key Uncertainties

There are many areas of uncertainty within the technical provisions. Estimation techniques are therefore used in the calculation of the ultimate cost of settling both claims that have occurred prior to the balance sheet date and remain unsettled at the balance sheet date, and claims costs that will arise in relation to events that have not happened at the balance sheet date.

The projected ultimate cost of claims is calculated using a variety of different actuarial projection techniques (including incurred and paid chain ladder and an average cost of claim approach) to allow an actuarial assessment of their potential outcome. They include allowance for unreported claims.

RECONCILIATION TO STATUTORY VALUES

	2019 £000	2018 £000
UK GAAP Technical Provisions	474,122	298,277
Adjustments for Solvency II	-483,054	-284,518
Best Estimate Liability	-8,932	13,759
Add Risk Margin	4,848	4,227
Solvency II Technical Provisions	-4,084	17,986

The Solvency II technical provisions for DGI are estimated on a best estimate cash flow basis. The primary adjustments to move from a UK GAAP to a Solvency II basis are as follows:

Removal of UK GAAP reserves

- Removal of the unearned premium from the starting position of the UK GAAP reserves as this is not on a cash flow basis.
- Removal of the margins within the UK GAAP reserves as Solvency II is on a best estimate basis.

Solvency II specific adjustments

- Inclusion of claims provision which is the cost of claims for events which have occurred prior to the valuation date, estimated on a future cash flow basis;
- Inclusion of an allowance for expenses which is required to service the run off of the technical provisions;
- Inclusion of premiums provision which is the future cost arising from policies obligated to at the valuation date;
- Recognition of cash flows relating to business bound before, but incepting after the valuation date;
- Recognition of future cash inflows for existing business less an allowance for policies lapsing;
- The inclusion of an additional cost for Events not in Data;
- The impact of discounting the cash flows above using the EIOPA yield curve; and
- The inclusion of the risk margin as shown separately in the table above.

ADJUSTMENTS AND SIMPLIFICATIONS

The Matching Adjustment and Volatility Adjustment have not been applied in the calculation of Technical Provisions.

The transitional risk-free interest rate term structure as per Article 308c of the Directive has not been applied in the calculation of Technical Provisions.

The transitional deduction as per Article 308d of the Directive has not been applied in the calculation of Technical Provisions at 31 March 2019.

D.3 Other liabilities

Insurance and intermediaries payable, payables (trade not insurance) and other liabilities are recognised at fair value. The Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the financial statements approximate their fair values. Refer to D.1 above for further details on the valuation of these liabilities.

The equity adjustment approach has been taken for the non-insurance participations, and has therefore been excluded for the Balance Sheet

D.4 Alternative methods for valuation

Property has been valued based on an independent market valuation, which benchmarks against properties with similar characteristics.

D.5 Any other information

At the year-end DGI had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2019 £ 000	Land and buildings 2018 £ 000
Operating leases which expire:		
within one year	721	750
within one to five years	1,991	976
over five years	161	164
	2,873	1,890

The Group consolidated numbers include DGI and other participants. The financial information above relates to DGI only.

E. CAPITAL MANAGEMENT

METHOD OF CALCULATION OF GROUP SOLVENCY

Solvency is calculated as the ratio of Eligible Own Funds to the Solvency Capital Requirement (SCR).

This section contains reconciliation from the UK GAAP net assets to the Solvency II excess of assets over liabilities that forms part of Tier 1 Own Funds. The individual material classes of assets, technical provisions and liabilities are considered in sections D1 and D2 respectively.

Articles 230 and 233 of the Directive prescribe that one of the following methods must be used to calculate Group solvency:

- Method 1 – Standard method based on Consolidation of financial statements
- Method 2 – Alternative method based on a deduction and aggregation approach

The Group applies Method 1 for the calculation of Group solvency. The basis for the consolidation is a Solvency II Group consisting of Domestic & General Acquisitions Limited, Domestic & General Group Limited (both insurance holding companies) and Domestic & General Insurance Plc (the Group UK regulated insurance entity). All remaining group subsidiaries are included as strategic participation investments as defined in Article 171 of the Delegated regulations, which are essentially wholly owned subsidiaries which do not meet the definition of insurance undertakings or ancillary services.

E.1 Own funds

Capital Management Objectives

The primary objective in respect of capital management is to ensure that all entities within the Group are able to continue as going concerns for at the least 12 months and maintain sufficient financial resources to meet all obligations as they fall due and also to ensure that regulated entities meet MCR and SCR requirements plus a buffer. In practice the Group's business planning processes monitor and assess capital requirements over a much longer (5 years) period to ensure regulatory compliance. Excess capital above required levels within subsidiaries are paid to the Group holding company in the form of dividends on a regular basis.

Classification of Own Funds by Tier

The classification of Own Funds for the Group and at the solo DGI level is as follows:

31-Mar-19	DGI solo £000	Group £000
Ordinary share capital	4,700	236,649
Reconciliation reserve	133,133	-79,592
Own funds	137,833	157,057

31-Mar-18	DGI solo £000	Group £000
Ordinary share capital	4,700	236,649
Reconciliation reserve	109,862	-104,853
Own funds	114,562	131,796

All Own Funds are Tier 1 Own Funds consisting of Ordinary Share Capital and the Reconciliation Reserve.

There are certain differences between the value of Own Funds under Solvency II and the value of Equity shown in the Group and DGI's Financial Statements. These arise due to the difference in valuation of assets and liabilities described in Section D of this report. A reconciliation is shown in the table below.

Reconciliation between UK GAAP and Solvency II Reserves as at 31 March 2019	DGI Solo £000	Group £000
UK GAAP Capital and reserves	101,576	123,056
Difference in valuation of technical provision related items	55,076	99,605
Deferred Tax on SII profits	-8,533	-8,596
Other valuation differences	-10,285	-57,008
Solvency II Own Funds	137,833	157,057

Reconciliation between UK GAAP and Solvency II Reserves as at 31 March 2018	**DGI solo** £000	**Group** £000
UK GAAP Capital and reserves	90,053	109,859
Difference in valuation of technical provision related items	38,625	71,196
Deferred Tax on SII profits	-5,777	-5,921
Other valuation differences	-8,339	-43,338
Solvency II Own Funds	114,562	131,796

None of the Group's Own Funds are subject to transitional arrangements and none of the Group companies have Ancillary Own Funds.

FUNGIBILITY AND TRANSFERABILITY OF GROUP OWN FUNDS

The Group has not identified any material restrictions to the fungibility and transferability of Group Own Funds.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Solvency Capital Requirement (SCR)

The Group's Solvency Capital Requirement (SCR) is calculated based on consolidated data. The reported SCR as at 31 March 2019 is as follows:

SCR	DGI Solo as at 31 March 2019 £000	DGA Group as at 31 March 2019 £000
Non-life underwriting risk	51,232	51,232
Market risk	7,161	7,161
Counterparty default risk	6,466	8,086
Diversification credit	-7,800	-8,444
Basic SCR	57,058	58,034
Operational risk	9,161	9,161
Deferred tax adjustment	-12,582	-12,767
Capital required for residual undertakings	-	1,327

SCR	53,637	55,755

SCR	DGI Solo as at 31 March 2018 £000	DGA Group as at 31 March 2018 £000
Non-life underwriting risk	52,543	52,543
Market risk	4,286	4,286
Counterparty default risk	6,597	8,096
Diversification credit	-6,015	-6,616
Basic SCR	57,411	58,309
Operational risk	8,864	8,865
Deferred tax adjustment	-12,592	-12,763
Capital required for residual undertakings		531
SCR	53,683	54,943

When combined with Eligible Own Funds, the resulting solvency positions are as follows:

Capital Headroom	**DGI Solo as at 31 March 2019** **£000**	**DGA Group as at 31 March 2019** **£000**
Eligible Own Funds	137,833	157,057
Solvency Capital Requirements (SCR)	53,637	55,755
Minimum Capital Requirements (MCR)	24,137	24,137
Ratio of Eligible Owns funds to the SCR	257%	282%
Ratio of Eligible Owns funds to the MCR	571%	651%

Capital Headroom	**DGI Solo as at 31 March 2018** **£000**	**DGA Group as at 31 March 2018** **£000**
Eligible Own Funds	114,562	131,796
Solvency Capital Requirements (SCR)	53,683	54,943
Minimum Capital Requirements (MCR)	24,157	24,157
Ratio of Eligible Owns funds to the SCR	213%	240%
Ratio of Eligible Owns funds to the MCR	474%	546%

Capital Headroom	DGI Solus as at 31 March 2018 £000	DGI Group as at 31 March 2018 £000
Eligible Own Funds	114,562	131,796
Solvency Capital Requirements (SCR)	53,683	54,943
Minimum Capital Requirements (MCR)	24,157	24,157
Ratio of Eligible Owns funds to the SCR	213%	240%
Ratio of Eligible Owns funds to the MCR	474%	546%

E.2.2 Minimum Consolidated Group SCR (MCR)

DGI calculates its linear MCR using the prescribed formula. This is then compared with the Absolute floor of the MCR, the MCR cap and the MCR floor. Both the cap and floor are determined using the Standard Formula SCR.

Overall MCR calculation	2019 £000	2018 £000
Linear MCR	52,717	40,446
SCR	53,637	53,683
MCR Cap	24,137	24,157
MCR Floor	13,409	13,421
Combined MCR	24,137	24,157
Absolute floor of the MCR	3,188	3,243
Minimum Capital Requirement	24,137	24,157

E.3 Use of the Duration-Based Equity Sub-Module in the calculation of the Solvency Capital Requirement

The duration based equity sub-module has not been used in the calculation of the Solvency Capital Requirement.

E.4 Differences between the Standard Formula and any Internal Model used

Not applicable – no internal model has been used during the reporting period.

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

There have been no instances of non-compliance with the Minimum Capital Requirement or the Solvency Capital Requirement during the period.

E.6 Any other information

Movement in SCR and Own Funds over the period

The overall SCR has increased by £0.8m

Own funds have increased by £25.3m reflecting a net retention of earnings in excess of dividends paid in the period. In 2019 D&G undertook a transition of change customer products from service contracts to insurance contracts. As a result, the business mix changed to include indeterminate contracts, which is the primary driver of the increase in Own Funds.

Solvency Capital Requirements	DGI Solo £000	DGA Group £000
2019 Annual Submission	53,637	55,755
2018 Annual Submission	53,863	54,943
Movement	-226	812

Eligible Own Funds	DGI Solo £000	DGA Group £000
2019 Annual Submission	137,833	157,057
2018 Annual Submission	114,562	131,796
Movement	23,271	25,261

DOMESTIC & GENERAL ACQUISITIONS LIMITED

Solvency and Financial Condition Report

APPENDIX - QUALITATIVE REPORTING TEMPLATES

31 March 2019

QRT S.02.01.01

QRT S.23.01.04

QRT S.25.01.04

QRT S.32.01.04

QRT S.05.01.02

QRT S.05.02.01

S.02.01.02 - £'000
Balance sheet

		Solvency II value
Assets		**C0010**
Goodwill	**R0010**	0
Deferred acquisition costs	**R0020**	0
Intangible assets	**R0030**	0
Deferred tax assets	**R0040**	0
Pension benefit surplus	**R0050**	0
Property, plant & equipment held for own use	**R0060**	3,000
Investments (other than assets held for index-linked and unit-linked	**R0070**	128,852
Property (other than for own use)	**R0080**	0
Holdings in related undertakings, including participations	**R0090**	7,091
Equities	**R0100**	0
Equities - listed	**R0110**	0
Equities - unlisted	**R0120**	0
Bonds	**R0130**	98,381
Government Bonds	**R0140**	34,302
Corporate Bonds	**R0150**	60,127
Structured notes	**R0160**	0
Collateralised securities	**R0170**	3,952
Collective Investments Undertakings	**R0180**	16,581
Derivatives	**R0190**	0
Deposits other than cash equivalents	**R0200**	6,791
Other investments	**R0210**	9
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**	0
Non-life and health similar to non-life	**R0280**	0
Non-life excluding health	**R0290**	0
Health similar to non-life	**R0300**	0
Life and health similar to life, excluding health and index-linked an	**R0310**	0
Health similar to life	**R0320**	0
Life excluding health and index-linked and unit-linked	**R0330**	0
Life index-linked and unit-linked	**R0340**	0
Deposits to cedants	**R0350**	0
Insurance and intermediaries receivables	**R0360**	7,208
Reinsurance receivables	**R0370**	0
Receivables (trade, not insurance)	**R0380**	17,687
Own shares (held directly)	**R0390**	0
Amounts due in respect of own fund items or initial fund called up b	**R0400**	0
Cash and cash equivalents	**R0410**	5,477
Any other assets, not elsewhere shown	**R0420**	59,342
Total assets	**R0500**	221,566

Liabilities		Solvency II value
		C0010
Technical provisions – non-life	R0510	-4,084
Technical provisions – non-life (excluding health)	R0520	-4,084
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	-8,932
Risk margin	R0550	4,848
Technical provisions - health (similar to non-life)	R0560	0
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	0
Risk margin	R0590	0
Technical provisions - life (excluding index-linked and unit-linked)	R0600	0
Technical provisions - health (similar to life)	R0610	0
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	0
Risk margin	R0640	0
Technical provisions – life (excluding health and index-linked and u	R0650	0
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	0
Risk margin	R0680	0
Technical provisions – index-linked and unit-linked	R0690	0
Technical provisions calculated as a whole	R0700	0
Best Estimate	R0710	0
Risk margin	R0720	0
Other technical provisions	R0730	0
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	8,990
Derivatives	R0790	0
Debts owed to credit institutions	R0800	193
Financial liabilities other than debts owed to credit institutions	R0810	111
Insurance & intermediaries payables	R0820	36,975
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	388
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	21,936
Total liabilities	R0900	64,509
Excess of assets over liabilities	R1000	157,057

S.23.01.04
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector						
Ordinary share capital (gross of own shares)	R0010	236,649	236,649		0.0	
Non-available called but not paid in ordinary share capital at group level	R0020	0.0	0.0		0.0	
Share premium account related to ordinary share capital	R0030	0.0	0.0		0.0	
"Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings "	R0040	0.0	0.0		0.0	
Subordinated mutual member accounts	R0050	0.0		0.0	0.0	0.0
Non-available subordinated mutual member accounts at group level	R0060	0.0		0.0	0.0	0.0
Surplus funds	R0070	0.0	0.0			
Non-available surplus funds at group level	R0080	0.0	0.0			
Preference shares	R0090	0.0		0.0	0.0	0.0
Non-available preference shares at group level	R0100	0.0		0.0	0.0	0.0
Share premium account related to preference shares	R0110	0.0		0.0	0.0	0.0
Non-available share premium account related to preference shares at group level	R0120	0.0		0.0	0.0	0.0
Reconciliation reserve	R0130	-79,592	-79,592			
Subordinated liabilities	R0140	0.0		0.0	0.0	0.0
Non-available subordinated liabilities at group level	R0150	0.0		0.0	0.0	0.0
An amount equal to the value of net deferred tax assets	R0160	0.0				0.0
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0.0				0.0
Other items approved by supervisory authority as basic own funds not specified above	R0180	0.0	0.0	0.0	0.0	0.0
Non available own funds related to other own funds items approved by supervisory authority	R0190	0.0	0.0	0.0	0.0	0.0
Minority interests (if not reported as part of a specific own fund item)	R0200	0.0	0.0	0.0	0.0	0.0
Non-available minority interests at group level	R0210	0.0	0.0	0.0	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 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	R0220	0.0				
Deductions						
"Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities"	R0230	0.0	0.0	0.0	0.0	
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	0.0	0.0	0.0	0.0	
Deductions for participations where there is non-availability of information (Article 229)	R0250	0.0	0.0	0.0	0.0	0.0
Deduction for participations included by using D&A when a combination of methods is used	R0260	0.0	0.0	0.0	0.0	0.0
Total of non-available own fund items	R0270	0.0	0.0	0.0	0.0	0.0
Total deductions	R0280	0.0	0.0	0.0	0.0	0.0

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Total basic own funds after deductions	R0290	157,057	157,057	0.0	0.0	0.0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0.0			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			0.0	
Unpaid and uncalled preference shares callable on demand	R0320	0.0			0.0	0.0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.0			0.0	0.0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.0			0.0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.0			0.0	0.0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.0			0.0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.0			0.0	0.0
Non available ancillary own funds at group level	R0380	0.0			0.0	0.0
Other ancillary own funds	R0390	0.0			0.0	0.0
Total ancillary own funds	R0400	0.0			0.0	0.0
Own funds of other financial sectors						
"Credit Institutions, investment firms, financial insitutions, alternative investment fund manager, financial institutions"	R0410	0.0	0.0	0.0	0.0	
Institutions for occupational retirement provision	R0420	0.0	0.0	0.0	0.0	0.0
Non regulated entities carrying out financial activities	R0430	0.0	0.0	0.0	0.0	
Total own funds of other financial sectors	R0440	0.0	0.0	0.0	0.0	0.0
"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	0.0	0.0	0.0	0.0	0.0
Own funds aggregated when using the D&A and a combination of method net of IGT	R0460	0.0	0.0	0.0	0.0	0.0
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	157,057	157,057	0.0	0.0	0.0
Total available own funds to meet the minimum consolidated group SCR	R0530	157,057	157,057	0.0	0.0	
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	157,057	157,057	0.0	0.0	0.0
Total eligible own funds to meet the minimum consolidated group SCR	R0570	157,057	157,057	0.0	0.0	
Consolidated Group SCR	R0590	55,755				
Minimum consolidated Group SCR	R0610	24,137				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	R0630	281.69%				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	545.57%				
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	157,057	157,057	0.0	0.0	0.0
SCR for entities included with D&A method	R0670	0.0				
Group SCR	R0680	55,755				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	239.88%				

		Total	
		C0060	
Reconciliation reserve			
Excess of assets over liabilities	R0700	157,057	
Own shares (held directly and indirectly)	R0710	0.0	
"Foreseeable dividends, distributions and charges"	R0720	0.0	
Other basic own fund items	R0730	236,649	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0.0	
Other non available own funds	R0750	0.0	
Reconciliation reserve	R0760	-79,592	
Expected profits			
Expected profits included in future premiums (EPIFP) - Life business	R0770	0.0	
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	71,782	
Total Expected profits included in future premiums (EPIFP)	R0790	71,782	

S.25.01.04
Solvency Capital Requirement - for groups on Standard Formula

Article 112	**Z0010**	2 - Regular reporting

		Net solvency capital requirement	**Gross solvency capital requirement**	**Allocation from adjustments due to RFF and Matching adjustments**
		C0030	**C0040**	**C0050**
Market risk	**R0010**	7,161	7,161	0.0
Counterparty default risk	**R0020**	8,086	8,086	0.0
Life underwriting risk	**R0030**	0.0	0.0	0.0
Health underwriting risk	**R0040**	0.0	0.0	0.0
Non-life underwriting risk	**R0050**	51,232	51,232	0.0
Diversification	**R0060**	-8,444	-8,444	
Intangible asset risk	**R0070**	0.0	0.0	
Basic Solvency Capital Requirement	**R0100**	58,034	58,034	

Calculation of Solvency Capital Requirement		**C0100**
Adjustment due to RFF/MAP nSCR aggregation	**R0120**	0.0
Operational risk	**R0130**	9,161
Loss-absorbing capacity of technical provisions	**R0140**	0.0
Loss-absorbing capacity of deferred taxes	**R0150**	-12,767
Capital requirement for business operated in accordance with Art. 4 of Directive 2003	**R0160**	0.0
Solvency Capital Requirement excluding capital add-on	**R0200**	54,428
Capital add-on already set	**R0210**	0.0
Solvency capital requirement for undertakings under consolidated method	**R0220**	55,755
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	**R0400**	0.0
Total amount of Notional Solvency Capital Requirements for remaining part	**R0410**	0.0
Total amount of Notional Solvency Capital Requirements for ring fenced funds	**R0420**	0.0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	**R0430**	0.0
Diversification effects due to RFF nSCR aggregation for article 304	**R0440**	0.0
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	**R0450**	4 - No adjustment
Net future discretionary benefits	**R0460**	0.0
Minimum consolidated group solvency capital requirement	**R0470**	24,137
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	**R0500**	0.0
"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**	0.0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	**R0520**	0.0
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial	**R0530**	0.0
Capital requirement for non-controlled participation requirements	**R0540**	0.0
Capital requirement for residual undertakings	**R0550**	1,327
Overall SCR		
SCR for undertakings included via D and A	**R0560**	0.0
SCR for undertakings included via D and A	**R0570**	55,755

S.32.01.04
Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
JE	213800P22ZBPONCRBR53	1 - LEI	Domestic & General Acquisitions Limited	5 - Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	LTD	2 - Non-mutual	Prudential Regulation Authority
GB	213800P22ZBPONCRBR53GB568	1 - LEI	Domestic & General Group Limited	6 - Mixed-activity insurance holding company as defined in Article 212(1) (g) of Directive 2009/138/EC	LTD	2 - Non-mutual	Prudential Regulation Authority
GB	21380059P63GBU6TUF44	1 - LEI	Domestic & General Insurance PLC	2 - Non life insurance undertaking	PLC	2 - Non-mutual	Prudential Regulation Authority
GB	213800P22ZBPONCRBR53GB453	1 - LEI	Copleys Limited	99 - Other	LTD	2 - Non-mutual	Prudential Regulation Authority
GB	312303	1 - LEI	Inkish Financial Services Limited	99 - Other	LTD	2 - Non-mutual	Prudential Regulation Authority
GB	460661	1 - LEI	Domestic & General Insurance Services Limited	99 - Other	LTD	2 - Non-mutual	Prudential Regulation Authority
IT	213800P22ZBPONCRBR53IT9162	1 - LEI	Servizi Domestic & General Italia S.r.l (Italian Company)	99 - Other	SRL	2 - Non-mutual	Prudential Regulation Authority
AU	213800P22ZBPONCRBR53AU210	1 - LEI	Domestic & General Services Pty Ltd (Australian Compa	99 - Other	LTD	2 - Non-mutual	Prudential Regulation Authority
ES	213800P22ZBPONCRBR53ES123	1 - LEI	Servicios Domestic & General Espana S.L. (Spanish Co	99 - Other	SL	2 - Non-mutual	Prudential Regulation Authority
DE	213800P22ZBPONCRBR53DE543	1 - LEI	Domesti & General Service Gmbh (German Company)	99 - Other	GMBH	2 - Non-mutual	Prudential Regulation Authority
DE	213800P22ZBPONCRBR53DE213	1 - LEI	Domestic & General Insurance Europe AG	2 - Non life insurance undertaking	AG	2 - Non-mutual	Federal Financial Supervisory Auth

Legal Name of the undertaking	Ranking criteria (in the group currency)								
	Total Balance Sheet (for (re)insurance undertakings)	Total Balance Sheet (for other regulated undertakings)	Total Balance Sheet (non-regulated undertakings)	Written premiums net of reinsurance ceded under	Turn over defined as the gross revenue	Underwriting performance	Investment performance	Total performance	Accounting standard
C0040	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170
Domestic & General Acquisitions Limited	0	523,741	0	0	0	0	0	-4	2 - Local GAAP
Domestic & General Group Limited	0	21,022	0	0	0	0	0	-6	2 - Local GAAP
Domestic & General Insurance PLC	604,271	0	0	431,627	0	113,480	797	26,584	2 - Local GAAP
Copleys Limited	0	0	1,047	0	0	0	0	0	2 - Local GAAP
Inkish Financial Services Limited	0	0	518	0	0	0	0	-1	2 - Local GAAP
Domestic & General Insurance Services Limited	0	0	114	0	0	0	0.22	23	2 - Local GAAP
Servizi Domestic & General Italia S.r.l (Italian Company)	0	0	18,206	0	10,829	3,632	0	90	2 - Local GAAP
Domestic & General Services Pty Ltd (Australian Compa	0	0	43,322	0	9,242	4,295	907	2,235	2 - Local GAAP
Servicios Domestic & General Espana S.L. (Spanish Co	0	0	190	0	0	0	0	-1	2 - Local GAAP
Domesti & General Service Gmbh (German Company)	0	0	-7	0	0	0	0	-3	2 - Local GAAP
Domestic & General Insurance Europe AG	0	0	2,197	0	0	0	0	0	2 - Local GAAP

Legal Name of the undertaking	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0040	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
Domestic & General Acquisitions Limited	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	1 - Method 1: Full consolidation
Domestic & General Group Limited	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	1 - Method 1: Full consolidation
Domestic & General Insurance PLC	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	1 - Method 1: Full consolidation
Copleys Limited	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Inkish Financial Services Limited	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Domestic & General Insurance Services Limited	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Servizi Domestic & General Italia S.r.l (Italian Company)	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Domestic & General Services Pty Ltd (Australian Compa	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Servicios Domestic & General Espana S.L. (Spanish Co	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Domesti & General Service Gmbh (German Company)	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method
Domestic & General Insurance Europe AG	100.00%	100.00%	100.00%	0	1 - Dominant	100.00%	1 – Included in the scope	0	3 - Method 1: Adjusted equity method

S.05.01.02.01

Z Axis:

VG/Statutory accounts

DI/Year to Date

Non-Life & Accepted non-proportional reinsurance

		Line of Miscellaneous financial loss	Total					
		C0120	C0200					
Premiums written								
Gross - Direct Business	R0110	431626721.7	431626721.7	TB/Direct Busir	IZ/Accepted du	Metric: Moneta	BC/Premiums written	
Gross - Proportional reinsurance accepted	R0120			TB/Proportiona	IZ/Accepted du	Metric: Moneta	BC/Premiums written	
Gross - Non-proportional reinsurance accepted	R0130			TB/Non-propor	IZ/Accepted du	Metric: Moneta	BC/Premiums written	
Reinsurers' share	R0140				IZ/Accepted du	Metric: Moneta	BC/Premiums written	
Net	R0200				IZ/Accepted du	Metric: Moneta	BC/Premiums written	
Premiums earned								
Gross - Direct Business	R0210	305352193.1	305352193.1	TB/Direct Busir	IZ/Covered dur	Metric: Moneta	BC/Premiums written	
Gross - Proportional reinsurance accepted	R0220			TB/Proportiona	IZ/Covered dur	Metric: Moneta	BC/Premiums written	
Gross - Non-proportional reinsurance accepted	R0230			TB/Non-propor	IZ/Covered dur	Metric: Moneta	BC/Premiums written	
Reinsurers' share	R0240				IZ/Covered dur	Metric: Moneta	BC/Premiums written	
Net	R0300				IZ/Covered dur	Metric: Moneta	BC/Premiums written	
Claims incurred								
Gross - Direct Business	R0310	116623906.7	116623906.7	TB/Direct Business		Metric: Moneta	BC/Claims incu	AI/Other than s
Gross - Proportional reinsurance accepted	R0320			TB/Proportional reinsurance a		Metric: Moneta	BC/Claims incu	AI/Other than s
Gross - Non-proportional reinsurance accepted	R0330			TB/Non-proportional reinsurai		Metric: Moneta	BC/Claims incu	AI/Other than s
Reinsurers' share	R0340					Metric: Moneta	BC/Claims incu	AI/Other than s
Net	R0400					Metric: Moneta	BC/Claims incu	AI/Other than s
Changes in other technical provisions								
Gross - Direct Business	R0410	426000	426000	TB/Direct Business		Metric: Moneta	BC/Liability	LB/Gross techni
Gross - Proportional reinsurance accepted	R0420			TB/Proportional reinsurance a		Metric: Moneta	BC/Liability	LB/Gross techni
Gross - Non- proportional reinsurance accepted	R0430			TB/Non-proportional reinsurai		Metric: Moneta	BC/Liability	LB/Gross techni
Reinsurers' share	R0440					Metric: Moneta	BC/Liability	LB/Gross techn
Net	R0500					Metric: Moneta	BC/Liability	LB/Gross techn
Expenses incurred	R0550					Metric: Moneta	BC/Expenses	TE/Administrati
Administrative expenses								
Gross - Direct Business	R0610	23557617.9		TB/Direct Business		Metric: Moneta	BC/Expenses	TE/Administrati
Gross - Proportional reinsurance accepted	R0620			TB/Proportional reinsurance a		Metric: Moneta	BC/Expenses	TE/Administrati
Gross - Non-proportional reinsurance accepted	R0630			TB/Non-proportional reinsurai		Metric: Moneta	BC/Expenses	TE/Administrati
Reinsurers' share	R0640					Metric: Moneta	BC/Expenses	TE/Administrat
Net	R0700					Metric: Moneta	BC/Expenses	TE/Administrat
Investment management expenses								
Gross - Direct Business	R0710	80,888		TB/Direct Business		Metric: Moneta	BC/Expenses	TE/Investment r
Gross - Proportional reinsurance accepted	R0720			TB/Proportional reinsurance a		Metric: Moneta	BC/Expenses	TE/Investment r
Gross - Non-proportional reinsurance accepted	R0730			TB/Non-proportional reinsurai		Metric: Moneta	BC/Expenses	TE/Investment r
Reinsurers' share	R0740					Metric: Moneta	BC/Expenses	TE/Investment i
Net	R0800					Metric: Moneta	BC/Expenses	TE/Investment i
Claims management expenses								
Gross - Direct Business	R0810	6281985.02	6281985.02	TB/Direct Business		Metric: Moneta	BC/Expenses	TE/Claims mana
Gross - Proportional reinsurance accepted	R0820			TB/Proportional reinsurance a		Metric: Moneta	BC/Expenses	TE/Claims mana
Gross - Non-proportional reinsurance accepted	R0830			TB/Non-proportional reinsurai		Metric: Moneta	BC/Expenses	TE/Claims mana
Reinsurers' share	R0840					Metric: Moneta	BC/Expenses	TE/Claims man
Net	R0900					Metric: Moneta	BC/Expenses	TE/Claims man
Acquisition expenses								
Gross - Direct Business	R0910	68540795.7	68540795.7	TB/Direct Business		Metric: Moneta	BC/Expenses	TE/Acquisition
Gross - Proportional reinsurance accepted	R0920			TB/Proportional reinsurance a		Metric: Moneta	BC/Expenses	TE/Acquisition
Gross - Non-proportional reinsurance accepted	R0930			TB/Non-proportional reinsurai		Metric: Moneta	BC/Expenses	TE/Acquisition
Reinsurers' share	R0940					Metric: Moneta	BC/Expenses	TE/Acquisition
Net	R1000					Metric: Moneta	BC/Expenses	TE/Acquisition
Overhead expenses								
Gross - Direct Business	R1010	56,763,605	56763604.58	TB/Direct Business		Metric: Moneta	BC/Expenses	TE/Overhead
Gross - Proportional reinsurance accepted	R1020			TB/Proportional reinsurance a		Metric: Moneta	BC/Expenses	TE/Overhead
Gross - Non-proportional reinsurance accepted	R1030			TB/Non-proportional reinsurai		Metric: Moneta	BC/Expenses	TE/Overhead
Reinsurers' share	R1040					Metric: Moneta	BC/Expenses	TE/Overhead
Net	R1100					Metric: Moneta	BC/Expenses	TE/Overhead
Other expenses	R1200					Metric: Moneta	BC/Expenses	TE/Other than a
Total expenses	R1300					Metric: Moneta	BC/Expenses	
		BL/Miscellanec	BL/Non-life and Health non-SLT					

S.05.02.01.01	S.05.02.01.02	S.05.02.01.03
Z AxJs:	Z AxJs:	Z AxJs:
VG/Statutory accounts	VG/Statutory accounts	VG/Statutory accounts
DJ/Year to Date	DJ/Year to Date	DJ/Year to Date
	X AxJs:	
	LG/All members | Country | R0010 | GA_18	

Non-lJfe oblJgatJons for home country | **Non-lJfe oblJgatJons by country (top 5 countrJes)** | **Non-lJfe oblJgatJons for top 5 countrJes and home country**

		UK	SpaJn	Germany	Portugal	Ireland	France	Total for top 5 countrJes and home country (by amount of gross premJums wrJtten)					
		C0080	C0090	C0091	C0092	C0093	C0094	C0140					
PremJums wrJtten													
Gross - Direct BusJness	R0110	301011707.6	57519948.08	37943296.76	26365842.19	2929451.642	2365467.587	428135713.9	TB/Direct B	IZ/Acceptec	Metric: Mo	BC/Premiums written	
Gross - Proportional reinsurance accepted	R0120							0	TB/Proporti	IZ/Acceptec	Metric: Mo	BC/Premiums written	
Gross - Non-proportional reinsurance accepted	R0130							0	TB/Non-pro	IZ/Acceptec	Metric: Mo	BC/Premiums written	
Reinsurers' share	R0140							0		IZ/Acceptec	Metric: Mo	BC/Premiums written	
Net	R0200							0		IZ/Acceptec	Metric: Mo	BC/Premiums written	
Premiums earned								0					
Gross - Direct Business	R0210	178549695.5	57579729.62	36720059.88	23609090.54	3119646.963	2835715.114	302413937.6	TB/Direct B	IZ/Covered	Metric: Mo	BC/Premiums written	
Gross - Proportional reinsurance accepted	R0220							0	TB/Proporti	IZ/Covered	Metric: Mo	BC/Premiums written	
Gross - Non-proportional reinsurance accepted	R0230							0	TB/Non-pro	IZ/Covered	Metric: Mo	BC/Premiums written	
Reinsurers' share	R0240							0		IZ/Covered	Metric: Mo	BC/Premiums written	
Net	R0300							0		IZ/Covered	Metric: Mo	BC/Premiums written	
Claims incurred								0					
Gross - Direct Business	R0310	74760198.89	22013958.01	11234303.9	9968068.763	1643697.451	1562080.332	121182307.3	TB/Direct Business		Metric: Mo	BC/Claims incurred	
Gross - Proportional reinsurance accepted	R0320							0	TB/Proportional reinsu		Metric: Mo	BC/Claims incurred	
Gross - Non-proportional reinsurance accepted	R0330							0	TB/Non-proportional re		Metric: Mo	BC/Claims incurred	
Reinsurers' share	R0340							0			Metric: Mo	BC/Claims incurred	
Net	R0400							0			Metric: Mo	BC/Claims incurred	
Changes in other technical provisions								0					
Gross - Direct Business	R0410	943216.82	-599465.0135	-164055.1668	187585.1213	293445.341	-13651.60005	647075.502	TB/Direct Business		Metric: Mo	BC/Liability	LB/Gross te
Gross - Proportional reinsurance accepted	R0420							0	TB/Proportional reinsu		Metric: Mo	BC/Liability	LB/Gross te
Gross - Non-proportional reinsurance accepted	R0430							0	TB/Non-proportional re		Metric: Mo	BC/Liability	LB/Gross te
Reinsurers' share	R0440							0			Metric: Mo	BC/Liability	LB/Gross te
Net	R0500							0			Metric: Mo	BC/Liability	LB/Gross te
Expenses incurred	R0550	69241582.73	34259449.69	21837017.65	12537244.24	1021103.552	3429177.283	142325575.1			Metric: Mo	BC/Expense	TE/Adminis
Other expenses	R1200							0			Metric: Mo	BC/Expense	TE/Other th
Total expenses	R1300	69241582.73	34259449.69	21837017.65	12537244.24	1021103.552	3429177.283	142325575.1			Metric: Mo	BC/Expenses	