SUPPORT.
IT'S WHAT WE DO.
FBD

2022

FBD Holdings plc
2022 Solvency and Financial Condition Report (Incorporating information on FBD Insurance plc)

Contents

Introduction

The EU-wide Solvency II Directive came into force with effect from 1 January 2016. This document is the seventh Solvency and Financial Condition Report (SFCR) published under this directive for FBD Holdings plc (‘FBD’ or the ‘Group’) which also includes information relating to FBD Insurance plc (the ‘Company’).

The SFCR provides narrative information in quantitative and qualitative form including quantitative reporting templates (QRTs).

The report covers the Business and Performance of the Group, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

Business and Performance

FBD is one of Ireland’s largest property and casualty insurers looking after the insurance needs of farmers, private individuals and business owners through its principal subsidiary, FBD Insurance plc. The Group also has financial services operations including a successful life and pensions intermediary. The Group is a holding company incorporated in Ireland.

The Business and Performance section highlights the profitability of FBD Holdings plc as the Group recorded a profit before tax of €73.7m (2021: €110.4m). The Group delivered an underwriting profit of €85.7m (2021: €95.2m).

Net claims incurred (Net claims and benefits plus movements in Other provisions) increased by €8.5m to €154.2m (2021: €145.7m). The increase is largely a result of higher frequency and inflationary impacts in Motor Damage and Property claims, net of the FSPO consequential payments required in 2021 of €13.2m.

The Group’s expense ratio is 28.6% (2021: 27.9%). Other underwriting expenses are €96.0m, an increase of €2.6m on 2021. The increase in expenses is due to inflationary increases in employee costs along with inflation in utility and IT costs. Commission also increased as we continue to broaden and deepen our partnerships with intermediaries adding additional routes to market. Accelerated amortisation was charged on the policy administration system in 2022 of €2.5m compared to €5.9m in 2021.

FBD’s total investment return for 2022 is -8.6% (2021: +0.3%). The investment return recognised in the Consolidated Income Statement is -0.9% (2021: +1.3%) and in the Consolidated Statement of Other Comprehensive Income (OCI) is -7.7% (2021: -1.0%). 2022 was a challenging year for investments. Inflation levels have been higher than seen for decades which was largely driven by the energy crisis in Europe, as a result of the Russian invasion of Ukraine.

System of Governance

The Board of FBD Holdings plc is responsible for the long-term success of the Group. The primary role of the Board is to provide leadership and strategic direction while maintaining effective control over the activities of the Group. The Board is assisted by the Executive Management Team and key roles and functions within the business.

The Board has approved a Corporate Governance Framework setting out its role and responsibilities. This is reviewed annually as part of the Board’s evaluation of its performance and governance arrangements.

At 31 December 2022 the Board comprised two Executive Directors and nine Non-Executive Directors, including the Chairman. This structure was deemed appropriate by the Board. At the date of this report the Board is now comprised of ten Directors following the untimely death of Padraig Walshe.

The Board deemed it appropriate that it should have between ten and twelve members and that this size is appropriate, being of sufficient breadth and diversity to ensure that there is healthy debate and input.

Risk Profile

An annual review is completed by the Risk Committee of all major risks to ensure all risks are identified and evaluated. Each risk is assessed by considering the potential impact and the probability of the event occurring. Impact assessments are made against financial, operational, regulatory and reputational criteria. The Risk Profile details the Underwriting, Market, Credit, Liquidity, Operational and Other material risks relating to FBD Holdings plc and FBD Insurance plc. For each of the risks, FBD has undertaken stress testing as part of its Own Risk and Solvency Assessment (ORSA). The outcome of the stress and scenario tests was that in each case FBD would have sufficient available capital to continue to meet the Solvency Capital Requirement (SCR).

Valuation for Solvency Purposes

The Valuation for Solvency Purposes outlines the difference between the Solvency II Valuation and the financial statements for the Group and FBD Insurance plc. FBD Holdings plc and FBD Insurance plc financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Capital Management

The Capital Management section outlines the SCR and Minimum Capital Requirement (MCR) for the Group and the insurance entity. FBD measures and calculates capital using the Standard Formula. The solvency position is monitored on a regular basis to ensure compliance with the SCR and MCR.

At 31 December 2022 the Group Solvency Capital Ratio was 226%. The FBD Insurance plc ratio was 219%.

A. Business and Performance

A1. The Business

A1.1 The Undertaking

FBD Holdings plc is incorporated in Ireland. The only insurance entity in the Group is FBD Insurance plc, an insurer licensed in Ireland. The address of the Registered Office and Head Office is:

FBD Holdings plc
FBD House
Bluebell
Dublin 12
D12 YOHE
Ireland

A1.2 Supervisory Authority

FBD Holdings plc and FBD Insurance plc are domiciled in Ireland and the supervisory authority responsible for financial supervision of the undertakings is:

Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1
D01 F7X3
Ireland

A1.3 Independent Auditors

FBD's independent auditors are:

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
North Wall
Dublin 1
D01 X9R7
Ireland

A1.4 FBD Shareholders with qualifying holdings:

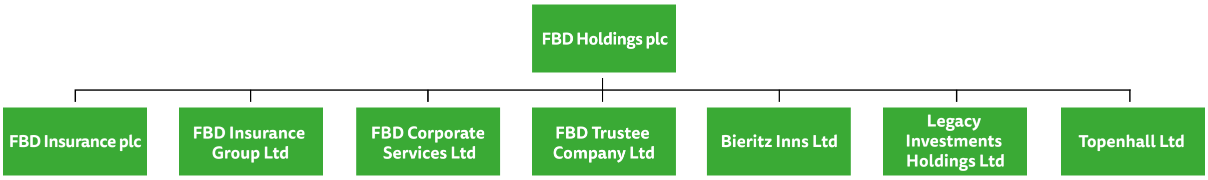
The shareholders below have interests above 10% in the Group.

Farmer Business Developments plc	No. of Shares	% of Class	% of Voting Rights
Ordinary shares of €0.60 each	8,531,948	24%	21%
8% Non-Cumulative Preference Shares	1,470,292	42%	4%
14% Non-Cumulative Preference Shares	1,340,000	100%	3%
Total % Voting Rights			28%

FBD Trust Company Limited	No. of Shares	% of Class	% of Voting Rights
Ordinary shares of €0.60 each	2,984,737	8%	8%
8% Non-Cumulative Preference Shares	2,062,000	58%	5%
Total % Voting Rights			13%

Stretaw Private Equity Unlimited Company	No. of Shares	% of Class	% of Voting Rights
Ordinary shares of €0.60 each	4,269,171	12%	11%
Total % Voting Rights			11%

A1.5 FBD Holdings plc Group Structure:



FBD Holdings plc ('FBD' or the 'Group')	Ireland A holding company which is parent to the other Group companies
FBD Insurance plc ('the Company')	Ireland A regulated insurance company which underwrites motor, property, liability and other smaller insurance lines
FBD Insurance Group Ltd t/a FBD Insurance	Ireland FBD Insurance Group Limited is a subsidiary of FBD Holdings plc and it performs the sales and marketing activities of the Group
FBD Corporate Services Limited	Ireland This company employs all staff working for the Group
FBD Trustee Company Limited	Ireland The principle activity of this company is to act as Trustee to FBD Insurance plc pension schemes

Non-Principal Subsidiaries *(represents less than 1% of FBD Holdings Net Asset Value)*

Bieritz Inns Limited	Ireland The company activities are property investment and development
Legacy Investments Holdings Limited	Ireland A company used for investment purposes
Topenhall Limited	Isle of Man The principal activity is the holding of land in Warwickshire

A1.6 Relevant Operations Transactions Within the Group

All employees of the Group are employed by FBD Corporate Services Ltd which recharges the costs of the employees to the Group companies being FBD Holdings plc, FBD Insurance plc and FBD Insurance Group Ltd.

All direct general insurance premium for the Group is generated through the intermediary FBD Insurance Group Ltd which is paid commission by FBD Insurance plc for the revenue and incurs expenses related to the sales operations.

Inter-group loans are in place and inter-company transactions arise between the Group companies in the normal course of business.

A1.7 Material lines of business and geographical areas

FBD Insurance plc underwrites insurance in Farmer, Business and Retail segments covering farm, business, home and motor insurance in Ireland.

For Solvency II purposes the Company reports under the following lines of business:

1. Motor vehicle liability insurance;
2. Other motor insurance;
3. Fire and other damage to property insurance;
4. General liability insurance;
5. Income protection insurance; and
6. Marine, aviation and transport insurance.

Lines of business 5) Income protection and 6) Marine are combined under 'Other insurance' for the tables in this report.

A1.8 Significant Business or Events during the Reporting Period

There were no significant or other events that occurred over the reporting period that had a material impact on the undertaking.

A2. Underwriting Performance

A2.1 The Undertaking

The Group's underwriting income and expenses by Solvency II material lines of business for 2022 and 2021 are set out in the tables below.

	Motor vehicle liability insurance 2022 €000s	Other motor insurance 2022 €000s	Fire and other damage to property insurance 2022 €000s	General liability insurance 2022 €000s	Other insurance 2022 €000s	Total 2022 €000s
Gross Written Premium	121,376	60,741	119,680	75,601	5,491	**382,889**
Net Earned Premium	105,129	59,084	97,890	68,802	4,949	**335,854**
Net Claims Incurred including MIBI	(33,891)	(36,266)	(44,367)	(21,149)	(4,215)	**(139,888)**
Expenses including CHE	(41,416)	(12,896)	(33,483)	(20,933)	(1,556)	**(110,284)**
Underwriting Profit/(Loss)	**29,822**	**9,922**	**20,040**	**26,720**	**(822)**	**85,682**

	Motor vehicle liability insurance 2021 €000s	Other motor insurance 2021 €000s	Fire and other damage to property insurance 2021 €000s	General liability insurance 2021 €000s	Other insurance 2021 €000s	Total 2021 €000s
Gross Written Premium	124,183	58,051	109,402	69,386	5,306	**366,328**
Net Earned Premium	109,785	58,984	96,728	63,883	4,867	**334,247**
Net Claims Incurred including MIBI	(39,768)	(32,965)	(26,784)	(27,588)	(5,168)	**(132,273)**
Expenses including CHE	(42,555)	(11,498)	(32,089)	(19,371)	(1,264)	**(106,777)**
Underwriting Profit/(Loss)	**27,462**	**14,521**	**37,855**	**16,924**	**(1,565)**	**95,197**

A2.2 Gross Written Premium

The Group's underwriting activities are conducted in Ireland.

Gross written premium increased to €382.9m in 2022 (2021: €366.3m). The 2021 figure includes €3.3m of Covid-19 Commercial rebates. Excluding rebates, gross written premium is 3.4% higher than prior year.

Customer policy count increased by 2.8%, with retention rates increasing by 1.5%, reaching the highest level in the last six years.

Average premium increased by 0.6% across the portfolio. Private Motor average premium reduced by 7.2% and Commercial Motor reduced by 1.1% reflecting the reductions seen in claims costs as a result of the new Personal Injury Guidelines, partially offset by the impact of increases in motor damage costs. Commercial Business average premium increased by 5.6% and Farm average premium increased by 2.6% mainly due to increases in property elements as sums insured were adjusted to reflect inflation in construction costs. Commercial customers increased their liability cover as trading conditions improved as the economy reopened, positively impacting average premium. Average Tractor premium increased by 5.5% due to a higher proportion of newer tractors and the increasing value of existing tractors. The increase in Home average premium of 4.1% reflects increasing sums insured due to inflation.

A2.3 Reinsurance

The reinsurance programme for 2023 was successfully renegotiated with a similar structure to the expiring programme. The negotiation of the 2023 renewal occurred with a backdrop of continuing hardening in the reinsurance market with rates impacted due to geopolitical and macroeconomic shocks along with natural disasters. Overall we saw an increase in reinsurance rates for property of 8% and casualty of 2%, a very positive result in the current environment.

A2.4 Claims

Net claims incurred (Net claims and benefits plus movements in Other provisions) increased by €8.5m to €154.2m (2021: €145.7m). The increase is largely a result of higher frequency and inflationary impacts in Motor Damage and Property claims, net of the FSPO consequential payments required in 2021 of €13.2m.

Claims volumes increased by 6% year on year driven by increased motor damage notifications of 27%. Motor damage notifications increases reflect the increased traffic volumes and impact of inflation on policyholders hindering their ability to cover the cost of minor damage claims themselves. More policyholders have taken out comprehensive cover and inflation continues on parts and labour increasing the cost of repair. Motor Damage and Property claim notifications have increased by 30% and 24% on pre-Covid levels.

The average cost of injury claims settlements marginally increased from 2021 while continuing to be lower than that experienced pre-Covid. We are now seeing reductions in average settlement costs feeding through in pre-litigation channels. In the litigation channel plaintiff legal costs have increased in 2022 by 14% and 12% in the High Court and the Circuit Court respectively.

Claims being settled under the new guidelines are over 40% lower in value when compared to the previous Book of Quantum. We have reflected the impact of this in premium reductions. The level of acceptance of Personal Injuries Resolution Board (PIRB) awards across the market has improved to 48% which is closer to historic levels. This may reduce the number of cases through the courts system attracting higher legal costs. It could take a number of years for the full impact of the new guidelines on claims settled after the PIRB process has been completed to be known.

Motor damage claims costs continue to experience high inflation with an increase of 11% year on year as costs of parts, paint and average labour hours per repair increase. The average cost of property claims increased by 1% year on year due to a change in mix and inflation, with further inflation expected on domestic building costs.

Movement in other provisions reduced by €13.7m to €8.4m (2021: €22.1m), the reduction is because no similar provision to the FSPO consequential payments of €13.2m made in 2021 was required. The main elements of the Other Provision is the Motor Insurers Bureau of Ireland (MIBI) levy and the Motor Insurers Insolvency Compensation Fund (MIICF) contribution.

A2.5 Industry Environment

The Personal Injuries Resolution Board (PIRB) Bill 2022 was signed into law changing the title from the Personal Injuries Assessment Board. Voluntary mediation will be offered as a means of resolving disputes and claimants are entitled to legal representation. PIRB will have more time to assess claims but it is as yet unclear whether medical reports and other documentation will be shared with the parties. We welcome the option of mediation to reduce litigated claims and await clear guidance on the operation of PIRB to understand the real impact.

An appeal to the Supreme Court in respect of the Personal Injury Guidelines was heard at the end of February 2023. There are still a number of challenges over the constitutionality of the laws underpinning the Guidelines that are due before the courts. We continue to experience slower settlements of injury claims as a result of the reluctance of legal profession to engage before the challenges are heard. A recent report indicated the number of new personal injury claims initiated in the High Court and the Circuit Court reduced as potential damages awarded would be lower and there are a reducing number of claims being made as a result.

We still await the outcome of the review to determine if the judiciary or the Minister of Justice and Equality should be allowed to determine the discount rate and review it at intervals. The delay in this decision may raise the potential of a challenge to the discount rate.

A number of legislative changes impacting insurance are expected to be enacted shortly:

a) Irish Motor Insurance Database (IMID) - The next phase of the previously named Motor Third Party Liability project (MTPL) will require sharing of additional data on insured vehicles and drivers with Regulatory Authorities.

b) The Road Traffic Act (RTA) legislation is to be extended to better regulate the use of scramblers/quads and e-bike/e-scooters.

c) The Motor Insurance Directive (MID) primarily deals with the scope of compulsory insurance broadening the potential scenarios where RTA cover will apply. The text is currently under review after which it will be formally adopted by the three European Institutions, the amendments must be transposed into national law within 24 months of being accepted.

d) General Scheme of Insurance (Miscellaneous Provisions) Bill - The Bill is currently before the Seanad for debate and intends to address a number of insurance-related issues that have arisen since the Government's 'Action Plan for Insurance Reform' in December 2020.

All development work required in respect of Differential Pricing guidelines issued in March 2022 including the auto-renewals elements were completed. The pricing practice review will finish in early 2023. We continue to actively monitor the impact of the changes on our portfolio.

FBD has updated additional wording changes needed as part of the Contract of Insurance review programme ensuring all wording enhancements and clarity of coverage expected following the enactment of the Consumer Insurance Contracts Act 2019 are reflected.

A2.6 Weather, Claims Frequency and Large Claims

No significant weather events of note occurred in 2022.

2020 and 2021 saw a significant reduction in frequency of injury claims due to lockdowns arising from Covid-19 and 2022 sees continued lower frequency. Injury claims frequency continues to remain below pre Covid-19 levels.

Large injury claims, defined as a value greater than €250k, notified in 2022 are higher than the last two years. The volumes are still lower than the average of previous pre-Covid years.

A2.7 Expenses

The Group's expense ratio is 28.6% (2021: 27.9%). Other underwriting expenses are €96.0m, an increase of €2.6m on 2021. The increase in expenses is due to inflationary increases in employee costs along with inflation in utility and IT costs. Commission also increased as we continue to broaden and deepen our partnerships with intermediaries adding additional routes to market. Accelerated amortisation was charged on the policy administration system in 2022 of €2.5m compared to €5.9m in 2021.

The expense ratio increased by 0.7 of a percentage point as a result of the higher cost base being offset by marginally higher earned premium.

A3. Investment Performance

A3.1 Investment Return

FBD's total investment return for 2022 was -€100.6m (-8.6% as a percentage of average assets under management for the year). This compares with €3.5m for the full year 2021 (0.3%).

The table below shows the investment income of the Group by asset class:

	2022 €000s	2021 €000s
Actual return		
Corporate bonds	**(52,393)**	(2,599)
Government bonds	**(32,672)**	(4,625)
Deposits and cash	**68**	(387)
Investment property	**(810)**	130
Equities	**(8,224)**	8,830
Other risk assets	**(6,527)**	2,128
Total investment income	**(100,558)**	3,447

Investment markets suffered an unprecedented year in 2022 with every major asset class, excluding oil and silver, in negative territory fuelled by a combination of increasing inflation, higher interest rates, deteriorating economic prospects, lingering Covid headwinds and a general risk-off sentiment fuelled by the Russian invasion of Ukraine.

The yield on the benchmark German 5 year Bund increased by 3.2% during 2022 as the ECB raised interest rates aggressively to combat inflation and announced the intention to start reducing the multi-trillion Euro balance sheet it accumulated through years of Quantitative Easing. This resulted in the buy and maintain bond portfolios experiencing significant mark-to-market losses as risk free rates rose.

The returns above are net of investment related expenses attributable to the respective asset class.

Corporate Bonds

The income on the corporate bond portfolio was higher than expected due to higher yields on reinvestments while Mark-to-Market returns were negative as yields rose significantly due to the impact of inflation and tightening monetary policy. Credit spreads were volatile through the year but narrowed in Q4 and contributed c. 10% of the negative return compared to c. 90% from rising rates.

Government Bonds

The income on the sovereign bond portfolio was higher than expected due to higher yields on reinvestments while Mark-to-Market returns were negative as yields rose significantly due to the impact of inflation and tightening monetary policy.

Deposits and Cash

Returns on deposits and cash turned positive during 2022 due to the ECB deposit rate increases.

Investment Property

The negative return on the Investment Property was due to partial vacancy and a valuation reduction due to a higher capitalisation yield on rental income following interest rate increases.

Equities

Equity markets had a negative return due to rising inflation and interest rates as well as weakening economic prospects and geopolitical issues. Global Equity returned -18.5%, Sustainable Equity returned -22.1% and Emerging Market Equity returned -14.9% during the year. The private markets Infrastructure Equity fund had a positive return of €1.4m.

Other Risk Assets

The Global High Yield Bond fund returned -13.9%, the Emerging Markets Debt Hard Currency Fund returned -19.7%, the Emerging Markets Debt Local Currency Fund returned -3.1% and Absolute Return Fixed Income fund returned -6.8%, with rising interest rates being the primary driver of these negative returns. The private markets Senior Private Debt fund had a positive return of €1.6m.

This following table shows the allocation of the Group's investment assets.

	31 December 2022		31 December 2021	
	€m	**%**	€m	%
Corporate bonds	**563**	**49%**	589	49%
Government bonds	**271**	**24%**	303	25%
Deposits and cash	**172**	**15%**	164	14%
Other risk assets	**83**	**7%**	84	7%
Equities	**50**	**4%**	54	4%
Investment property	**15**	**1%**	16	1%
	1,154	**100%**	1,210	100%

The Group adopts a conservative investment strategy to ensure that its technical provisions are matched by cash and fixed interest securities of low risk and similar duration. FBD invested an additional €25m into its corporate bond portfolio and €10m into its risk asset portfolio during the year.

Other risk assets at 31 December 2022 consisted of Global High Yield Bonds, Emerging Market Debt, Absolute Return Fixed Income and Senior Private Debt funds.

A3.2 Investments in Securitisation

The Group has no investments in securitisation.

A4. Performance of other activities

There are no other activities that are material.

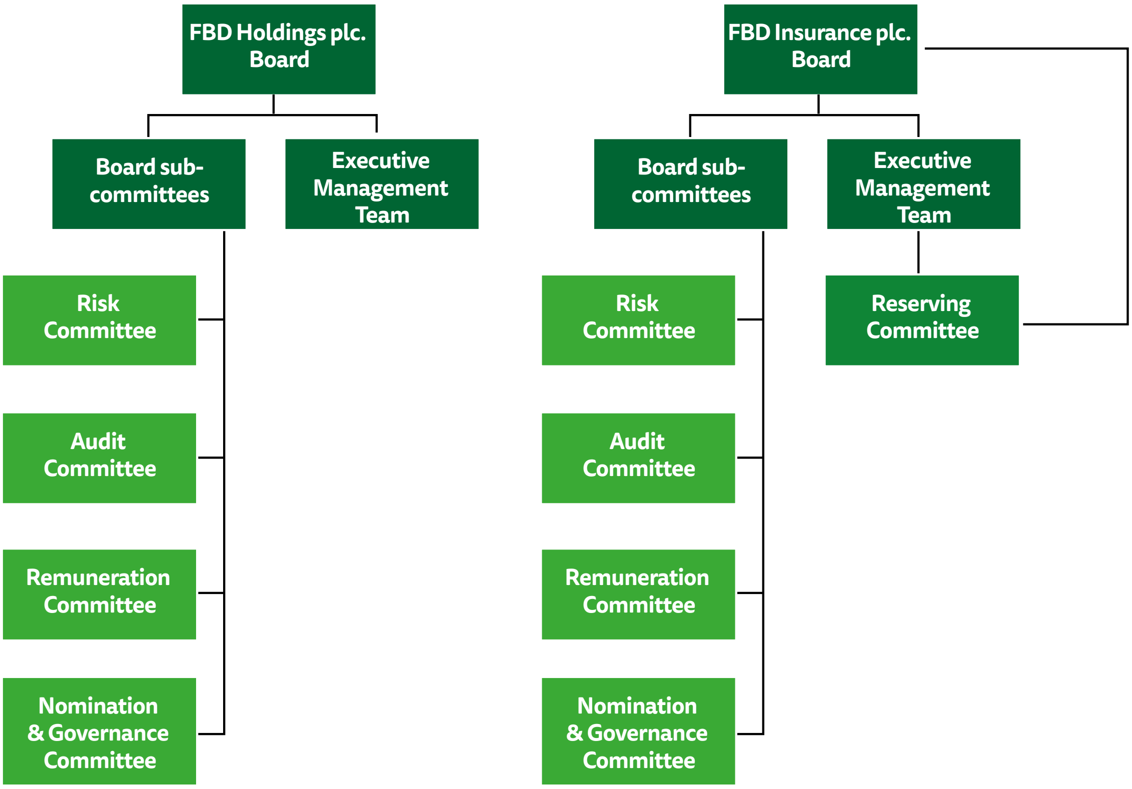
A5. Any other information

No other material information to be disclosed.

B. System of Governance

B1. General Information

B1.1 The Board and Committees Structure



The membership of the Board and Board Committees for Holdings and Insurance are consistent with different Chairpersons appointed for each. When referring to the Board and Board Committees below they cover both the FBD Holdings plc and FBD Insurance plc Committees.

The Board

The primary role of the Board is to provide leadership and strategic direction while maintaining effective control over the activities of the Group.

The Board has approved a Corporate Governance Framework setting out its role and responsibilities. This is reviewed annually as part of the Board's evaluation of its performance and governance arrangements. The Framework includes a formal schedule of matters reserved to the Board for its consideration and decision, which includes:

- Approval of the Group's long term objectives and commercial strategy and any material changes;
- Approval of the annual operating and capital expenditure budgets and any material changes;
- Oversight of FBD Group Operations;
- Approval of changes to the Group capital structure, capital projects and approval of the dividend policy;
- Approval of Financial Statements and any significant change in accounting policies or practices; and
- The appointment of Directors and the Company Secretary.

This schedule ensures that the skills, expertise and experience of the Directors are harnessed to best effect and ensures that any major opportunities or challenges for the Group come before the Board for consideration and decision. The schedule was last reviewed in April 2023.

Other specific responsibilities of the Board are delegated to Board appointed Committees, details of which are given later in this report.

Risk Committee

The Board Risk Committee is the forum for risk governance within FBD. It is responsible for providing oversight and advice to the Board in relation to current and potential future risk exposures of the Group and future risk strategy. This advice includes recommending a risk management framework incorporating strategies, policies, risk appetites and risk indicators to the Board for approval. The Risk Committee oversees the Risk Function, which is managed on a daily basis by the Chief Risk Officer.

The key responsibilities delegated to the Committee include:

- Promoting a risk awareness culture within the Group;
- Ensuring that the material risks and emerging risks facing the Group have been identified and that appropriate arrangements are in place to manage and mitigate those risks effectively;
- Advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, the amounts, types and distribution of capital adequate to cover the risks of the Group;
- Reviewing and recommending the annual Compliance Plan and Compliance Framework to the Board for approval;
- Reviewing and recommending the Risk Management Framework to the Board for approval;
- Reviewing and challenging risk information received by the Chief Risk Officer from the business departments to ensure that the Group is not exceeding the risk limits set by the Board; and
- Presenting a profile of the Group's key risks, risk management framework, risk appetite and tolerance and risk policies at least annually together with a summary of the Committee's business to the Board.

Audit Committee

The objective of the Committee is to assist the Board of the Group in fulfilling its oversight responsibilities for such matters as financial reporting, the system of internal control and management of financial risks, the audit process and the Group's process for monitoring compliance with laws and regulations.

The key responsibilities delegated to the Committee include:

- Reviewing the Group's financial results announcements and financial statements;
- Reviewing significant financial reporting judgements;
- Reviewing the Solvency II returns;
- Overseeing the relationship with the external auditors including reviewing and approving their terms of engagement and fees;
- Reviewing and monitoring the independence and objectivity of the Statutory Auditor and the effectiveness of the audit process;
- Reviewing the findings of the audit with the Statutory Auditor;
- Approving the Internal Audit Annual Work Plan;
- Monitoring and reviewing the activities and effectiveness of the Group's Internal Audit function;

- Reviewing the independence and scope of the Internal Audit Department; and
- Performing detailed reviews of specific areas of financial reporting as required by the Board or the Committee.

Remuneration Committee

The objective of the Committee is to assist the Board of the Group in ensuring that the level of remuneration in the Group and the split between fixed and variable remuneration are sufficient to attract, retain and motivate Executive Directors and Senior Management of the quality required to run the Group in a manner which is fair and in line with market norms, while not exposing the Group to unnecessary levels of risk.

The key responsibilities delegated to the Committee include:

- Ensuring that the Group's overall reward strategy is consistent with achievement of the Group's strategic objectives;
- Determining the broad policy for the remuneration of the Group's Executive Directors, Company Secretary and Executive Management;
- Reviewing the on-going appropriateness and relevance of the Remuneration Policy;
- Determining the total remuneration packages for the foregoing individuals, including salaries, variable remuneration, pension and other benefit provision and any compensation on termination of office;
- Ensuring that remuneration schemes promote long-term shareholdings by Executive Directors that support alignment with long-term shareholder interests;
- Ensuring that the Group operates to recognised good governance standards in relation to remuneration;
- Making awards of shares under the Group's approved share scheme; and
- Preparation of the detailed Report on Directors' Remuneration.

Nomination and Governance Committee

The objective of the Committee is to ensure that the Board and its Committees are made up of individuals with the necessary skills, knowledge and experience to ensure that the Board is effective in discharging its responsibilities.

The key responsibilities delegated to the Committee include:

- Reviewing the structure, size and composition of the Board and making recommendations to the Board for any appointments or other changes;
- Recommending changes to the Board's Committees;
- Keeping under review the leadership needs of the Group and recommending the appointment of Directors, Executive Management and the Company Secretary to the Board;
- Advising the Board in relation to succession planning both for the Board and the Senior Executives in the Group;
- Monitoring the Group's compliance with corporate governance best practice with applicable legal, regulatory and listing requirements and to recommend to the Board such changes as deemed appropriate; and
- Overseeing, in conjunction with the Board Chairman, the conduct of the annual evaluation of the Board, Board Committees, Chairman and individual Director Performance.

Reserving Committee

The Executive Management Team established a Reserving Committee for FBD Insurance plc with independent Non-Executive Directors as members, with formal terms of reference and with responsibility, inter alia, for the following:

- On a quarterly basis to review the adequacy of reserves and to recommend to the Board the level of IFRS Reserves and Solvency II Technical Provisions for inclusion in the financial statements and regulatory reporting; and
- The review of all material reports of the Head of Actuarial Function relating to reserves.

The Committee has full access to the Company's Head of Actuarial Function and any other person as deemed necessary by the Committee to effectively carry out its functions.

B1.2 Key Roles

The Chairperson

The role of the Chairperson is set out in writing in the Corporate Governance Framework. They are responsible, inter alia, for:

- Setting the Board's agendas and ensuring that they cover the key strategic issues confronting the business;
- Promoting a culture of openness and debate at Board meetings and will make sure that the Directors apply sufficient challenge to management proposals;
- Facilitating the effective contribution of Non-Executive Directors in particular and ensure constructive relations between Executive and Non-Executive Directors are maintained;
- Ensuring that the Directors receive accurate, timely and clear information;
- Leading the Board appointment process in line with the Board Recruitment, Succession and Diversity policy; and
- Ensuring that there is effective communication with shareholders.

The Group Chief Executive

The role of the Group Chief Executive is set out in writing in the Corporate Governance Framework. They are responsible, inter alia, for:

- Developing a clear strategy for FBD with the Board and provide a formal process for review of strategy;
- Developing clear objectives and plans to implement strategy along with a suitable organisational structure;
- Day to day operational and financial performance of the Group;
- Establishing Key Performance Indicators quantifying individual and organisational goals for the business and the senior management team and evaluating performance accordingly;
- Ensuring that the organisation remains flexible to the changing business environment; and
- Maximising the efficient and effective use of resources.

The Executive Management Team

The Group Chief Executive has established an Executive Management Team ("EMT") comprising senior Group executives to assist him in the discharge of his responsibilities for the Group's performance, operations and compliance.

The composition of this team is a matter for the decision of the Group Chief Executive and its role and responsibilities include:

- Managing the day to day running of the Group's business;
- Formulating the Group's strategic plans for the approval of the Board;
- Communicating the standards of performance, strategy and goals of the Group to meet the objectives approved by the Board;
- Leading the implementation of the agreed programme of priority development initiatives;
- Reviewing and communicating progress against the goals, providing direction to the Group's employees, removing barriers to achieving the goals and allocating the Group's resources to the areas of greatest importance;
- Advising the Board, through the Group Chief Executive, on all matters concerning organisational strategy and performance.

The Board and senior management have ultimate responsibility for the governance of internal controls in FBD. A number of Board and executive committees and sub-committees have been established with specialised areas of focus such as:

- Board Risk Committee
- Board Audit Committee
- Board Remuneration Committee
- Board Nomination and Governance Committee
- Disclosure Committee (FBD Holdings plc)
- Standing Committee
- Investment Committee
- Reserving Committee (includes at least one independent non-executive Director)
- Executive Risk Committee
- Consumer & Culture Committee
- Pricing and Underwriting Committee
- Reinsurance Committee
- IT Management Committee
- Strategy Oversight Committee
- Sustainability Committee

The executive committees report to the Executive Management Team through the EMT member via the weekly EMT meetings.

B1.3 Authority and independence of key functions

The control functions report regularly to the Board on the effectiveness of the System of Governance including the Internal Control System. The control functions are defined as the Risk Function, Compliance Function, Internal Audit Function, and Actuarial Function.

The Group uses a 'three lines of defence' framework in the delineation of accountabilities for internal control.

- Primary responsibility for risk management rests with line management;
- Line management is supported by the second line Risk, Actuarial and Compliance Functions;
- The third and final line of defence is the Internal Audit function, which provides independent assurance to the Audit Committee of the Board on risk-taking activities.

The second and third line of defence functions have defined Terms of Reference (ToR) reviewed at least annually by the appropriate committee.

Risk Function

The Board has established a Risk Function, headed by an appointed Chief Risk Officer. The Risk Function has independent oversight of the Group risk management activities with specific responsibility for ensuring that the Group's risk management framework is documented and implemented and that its risk management procedures are carried out effectively. The Risk Function acts as a second line of defence in the FBD's Risk Management Framework.

The Risk Function's terms of reference states that the function shall have full, unrestricted access to all information, explanations, records, and personnel necessary for the purposes of the identification, assessment, monitoring and reporting of risk to the Board Risk Committee and the Board.

Compliance Function

The Board has established a Group Compliance Function, headed by an appointed Head of Compliance. The Compliance Function acts in an advisory, oversight and assurance role to ensure that the Group has the necessary systems and controls in place to ensure adherence, on an on-going basis, to its legal and regulatory requirements. The Compliance Function acts as a second line of defence in the FBD's Risk Management Framework.

The Compliance Framework sets out how regulatory risk is managed in FBD and provides the necessary structures for the identification, assessment, monitoring, management and reporting of regulatory risk including to senior management and the Board.

Actuarial Function

The Board has established an Actuarial Function, headed by an appointed Head of Actuarial Function. The Actuarial Function co-ordinates the calculation of Technical Provisions and provides an Opinion and accompanying report on the Technical Provisions to the Board and the Central Bank of Ireland.

In addition, the Actuarial Function prepares an Opinion on the Underwriting Policy, Reinsurance arrangements and the Own Risk and Solvency Assessment (ORSA). The Actuarial Function acts as a second line of defence in FBD's Risk Management Framework.

Internal Audit Function

The Board has established an Internal Audit Function, headed by an appointed Head of Internal Audit. Internal Audit is an independent function reporting to the Board through the Audit Committee. Internal Audit acts as the third line of defence in the FBD Risk Management Framework and examines and evaluates the functioning of the internal controls and all other elements of the system of governance, as well as the compliance of activities with internal strategies, policies, processes and reporting procedures.

B1.4 Material Changes During the Period

There was 1 change to the Board in 2022. The table below sets out the Directors who served during 2022:

Liam Herlihy	Chairman
Walter Bogaerts	Independent Non-Executive Director (Retired 12 May 2022)
Mary Brennan	Independent Non-Executive Director
Sylvia Cronin	Independent Non-Executive Director
Tim Cullinan	Independent Non-Executive Director
David O'Connor	Independent Non-Executive Director
John O'Dwyer	Independent Non-Executive Director
John O'Grady	Group Chief Financial Officer
Tomás Ó Midheach	Group Chief Executive Officer
Richard Pike	Senior Independent Non-Executive Director
Jean Sharp	Independent Non-Executive Director
Padraig Walshe	Non-Executive Director

Mr Padraig Walshe sadly passed away on 1 February 2023.

In December 2022, Mr O'Grady notified the Board of his intention to retire at the end of 2023 as Chief Financial Officer and Executive Director of the Company. The process to appoint his successor has commenced in line with the Board Succession Plan.

B1.5 Remuneration Policy and Practices

The Group's Remuneration Policy is determined by the Board of FBD Holdings plc through the Remuneration Committee.

When determining executive director remuneration policy and practices, the Committee addresses all of the following:

- **Clarity:** remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;
- **Simplicity:** remuneration structures should avoid complexity and their rationale and operation should be easy to understand;
- **Risk:** remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioral risks that can arise from target-based incentive plans, are identified and mitigated;
- **Predictability:** the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy;
- **Proportionality:** a significant part of an Executive's reward is linked to performance with a clear line of sight between business performance and the delivery of shareholder value; and
- **Alignment to culture:** the incentive arrangements and the performance measures used are strongly aligned to those that the Board considers when determining the success of the implementation of the Group's purpose, values and strategy.

Remuneration Principles

The Committee aims for the disclosure to be clear to allow shareholders to understand the range of potential values which may be earned under the remuneration arrangements. Please find key principles set out hereunder:

- **Fair:** FBD aims to reward employees fairly and transparently for their contribution and to ensure all employees have equal opportunity to progress their careers and enhance their earning potential and ensuring that the diversity policy is key to ensuring fairness.
- **Performance:** performance management plays a key role in aligning individual objectives with FBDs overall strategy, goals and values. Performance outcomes using a combination of financial objectives and non-financial behaviours which underpin individual remuneration and provide a clear alignment between performance and remuneration.
- **External Factors:** FBD aims to align remuneration with competitors and the relevant sectors for talent assessed against market benchmarks from recognised providers of benchmarking data.
- **Risk Aligned:** remuneration is designed to promote high performance, a strong risk management culture and risk taking which is aligned to FBDs risk appetite. All employees are required to have a risk objective in their performance plan.

The remuneration of the Non-Executive Directors of the Group is determined by the Board. The individual remuneration packages of senior executives are determined by the Remuneration Committee who report to the Board.

B1.5.1 Components of Remuneration

Fixed Remuneration

Base Salary and Allowances

FBD's current remuneration structure predominantly consists of fixed pay elements, i.e. base salary, allowances. Base salary is the principal component of fixed remuneration and is designed to be fair and competitive and set according to appropriate salary ranges which reflect the size and level of responsibilities of each role.

Base salary is normally reviewed annually having regard to personal performance, Group performance and competitive market practice.

Benefits and Wellbeing

FBD provides, depending on role or competitive market practice/business needs, a car allowance. The Group also makes a fixed percentage contribution to the private health insurance costs of all employees.

FBD takes the wellbeing of employees very seriously and provides access to a variety of health and wellbeing initiatives.

Variable Remuneration

Variable remuneration is based on individual and Group performance and is awarded to all permanent employees and varies by amount and structure depending on role but in all cases is designed to encourage and reward enhanced performance.

1. Short Term Incentives

Bonus – Head Office Employees and Management

Annual bonus is based on stretching performance conditions set by the Remuneration Committee at the start of the year. The maximum opportunity level under the Policy for the CEO is 120% of base salary and 100% of base salary for other Executive Directors. In a given year, the Committee may determine that a maximum opportunity level below the above Policy levels will be operated.

Annual bonus outcomes will be determined based on performance against Group financial targets and the achievement of defined individual strategic objectives. The Remuneration Committee will determine the performance measures, their weightings and the calibration of targets each year and will clearly disclose these in the Remuneration report.

Financial targets will determine the majority of the bonus. Financial targets will be set in a manner which will encourage enhanced performance in the best interests of the Group and its Shareholders and will be approved by the Remuneration Committee.

In addition, if annual Group profit before tax does not reach a minimum level, to be determined annually by the Remuneration Committee after the budget has been approved, then the bonus may be revised downwards potentially to zero, the ultimate discretion over which rests with the Remuneration Committee following consultation with the Chief Executive Officer.

Individual performance will be assessed against agreed performance objectives, which will include a risk objective to ensure that all employees identify, evaluate and mitigate and control risks as part of our overall objectives to meet the organisation's strategic goals.

The Remuneration Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so. Any such discretion would be fully disclosed in the relevant annual report.

Any bonus payments are subject to the potential for the Remuneration Committee to apply provisions to withhold, reduce or require the repayment of awards for up to two years after payment if there is found to have been (a) material misstatement of the Group's financial results or (b) gross misconduct on the part of the individual.

50% of any executive director bonus will be deferred into FBD shares for a period of three years. This practice will allow the Committee to have flexibility to apply clawback if circumstances warranted.

Bonus – Sales Employees

Sales employees' bonus arrangements are based on the achievement of KPIs which are agreed annually including targets for such matters as gross written premium, retention levels, discretionary discounts ceded, compliance standards and business quality. This bonus is paid quarterly in arrears. Any bonus or variable pay proposals must be in compliance with Central Bank guidelines on variable pay.

2. Long Term Incentives

FBD Holdings plc, the Company's parent, has established the FBD Performance Share Plan ("LTIP") which was approved by its shareholders. Under the LTIP, the Remuneration Committee may, at its sole discretion, make conditional awards of shares to Executives.

Conditional awards of shares under the LTIP are limited to 10% in aggregate with any other employee share plan of the Group's issued ordinary shares of €0.60 each over a rolling 10 year period. The market value of shares which are the subject of a conditional award to an individual may not, in any financial year, normally exceed 150% of the participant's base salary as at the date of the grant.

The Remuneration Committee set performance conditions each year, selecting appropriate metrics based on key strategic priorities. The period over which the performance conditions applying to a conditional award under the LTIP are measured may not be less than three years. The extent to which a conditional award may vest in the future will be determined by the Remuneration Committee by reference to the performance conditions set at the time of the reward.

These conditions are designed to ensure alignment between the economic interest of the plan participants and those of shareholders. Different conditions, or the same conditions in different proportions, can be used by the Remuneration Committee in different years under the LTIP rules, provided that the Committee is satisfied that they are challenging targets and that they are aligned with the interest of the Group's shareholders.

Consistent with prior periods, the LTIP rules allow the Remuneration Committee (at its sole discretion) to make awards which may be subject to an additional post vesting holding period. Awards will vest after three years once applicable performance conditions have been achieved and the vested shares (net of tax) may be required to be held for a further two year period to provide continued alignment with shareholders. The Remuneration

Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so and any such discretion will be fully disclosed in the relevant annual report.

The LTIP includes provisions that allows the Remuneration Committee to withhold, reduce or require the repayment of rewards for up to two years after vesting (i.e. up to five years after grant) if there is found to have been (a) material misstatements of the Group's financial results; (b) gross misconduct on the part of the award holder.

B1.5.2 Components of Remuneration

The remuneration of persons who exercise a significant influence on the undertaking and with members of the administrative, management or supervisory body (which comprises the Board of Directors and Company Secretary of FBD Holdings plc and the Group's primary subsidiary, FBD Insurance plc and the members of the Executive Management Team) is as follows:

	2022 €000s	2021 €000s
Short term employee benefits[1]	**4,730**	4,131
Post-employment benefits	**275**	262
Share based payments	**1,386**	1,346
Charge to the Consolidated Income Statement	**6,391**	5,739

[1] *Short term benefits include fees to Non-Executive Directors, salaries and other short-term benefits to all key management personnel.*

B1.5.3 Special Arrangements for Risk, Compliance and Internal Audit Roles

In the case of employees who hold roles in the Risk, Compliance and Internal Audit functions, so as to ensure the independence of these role holders and that their ability to perform their second and third line of defence roles is not in any way compromised, there will be no linkage between Annual Bonus and Group performance targets. In the event that performance related bonuses are paid by the Group in any financial year, those awarded to second and third line employees will be conditional only on the attainment of individual performance objectives.

Remuneration of Key Employee Groups

Non-Executive Directors

The remuneration of the Non-Executive Directors is determined by the Board, and reflects the time commitment and responsibilities of their role. In setting this level, the Board has regard to the fees payable to the Non-Executive Directors of the other Irish publicly listed companies and also to the developments and policy for the remuneration of the employees in the wider Group. Non-Executive Directors receive a basic fee. Additional fees are paid for acting as Senior Independent Director, being a member of and/or chairing Board Committees. These fees are reflective of their added responsibilities and time commitment. Non-Executive Directors are not members of the Group's pension schemes and are not eligible for participation in the Group's long-term incentive schemes.

B1.6 Supplementary Pension

FBD operates a defined contribution pension arrangement for its employees, where both the employee and employer contribute to the retirement fund. FBD also operates a legacy defined benefit arrangement, which is closed to future accrual.

Pension

FBD offers employees a competitive defined contribution pension benefit. Employees are enrolled in the group scheme which provides a standard employer contribution rate of 8%. The pension contribution level for the Chief Executive Officer in 2023 will be 8% of base salary, which is in line with the rate for the wider workforce. The pension contribution rate/payment in lieu for the Chief Financial Officer will be 15%. The

Chief Financial Officer has indicated he will retire at the end of 2023. The Remuneration Committee intends to bring the Chief Financial Officer's contribution rate into line with that of the wider workforce on appointment of a replacement.

B1.7 Adequacy of System of Governance

The Systems of Governance is considered to be appropriate for FBD, taking into account the nature, scale and complexity of the risks inherent in the business.

B1.8 Material Transactions

There are no material transactions to note.

B2. Fit and proper requirements

B2.1 Fitness and Probity Policy

The Central Bank of Ireland published its Regulations and Standards of Fitness and Probity (the F&P Standards), issued under Part 3 of the Central Bank Reform Act 2010 ('the 2010 Act'), on 1 September 2011. These statutory standards came into effect on 1 December 2011.

As a regulated entity, FBD is subject to the F&P Standards. The annually reviewed and Board approved FBD Fitness and Probity Policy sets outs the structures, processes and procedures in place to ensure the initial and ongoing assessment of individuals performing 'Controlled Functions' and 'Pre-Approval Controlled Functions', including Directors, senior management and those employees whose activities have a material impact on the business. The policy includes clear defined roles and responsibilities, due diligence requirements including for outsourced arrangements, escalation processes and record keeping.

FBD considers itself to be in compliance with the F&P Standards.

B2.2 Selection Due Diligence

The Group operates robust HR recruitment and selection controls which ensure that FBD selects only candidates that meet the F&P Standards (i.e. competent and capable, honest ethical and act with integrity and financial soundness). These controls include appropriate screening of candidates and the assessment of completed Fitness and Probity Questionnaires prior to their engagement. This includes screening for amongst other things: educational qualification and work experience, conflicts, bankruptcy and debt judgements and regulatory sanctions, where appropriate.

In addition, our employment contract terms require continuing adherence to all regulatory standards including, amongst others, the F&P Standards and Minimum Competency Code (MCC) obligations.

B2.3 Continuous Due Diligence

The Group operates a continuous due diligence programme which covers all Directors, senior executives and relevant employees across the Group. Under this programme, training and a Fitness and Probity questionnaire are required to be completed annually by Controlled Function and Pre-Approval Controlled Function role holders. Additionally, each individual is required to complete an F&P Declaration confirming that they remain fit and proper, agree to abide by F&P Standards and to notify FBD immediately if for any reason they no longer believe they comply with the F&P standards.

HR independently undertakes validation and assessment of completed Individual Questionnaires and/or any F&P concern raised. Where this review causes the Chief HR Officer to form the opinion that there is reason to believe or suspect a person's fitness and probity to perform the relevant function, a formal assessment process will be conducted which may result in the person being removed from carrying out the regulated function. Such circumstance may include, but is not limited to, potential issues identified or reported during the normal course of business, material or undeclared judgements; criminal or civil convictions or regulatory censure. In assessing the impact of these circumstances, FBD takes into consideration all relevant matters including the circumstances surrounding the issue; the length of time since the issue; the explanation given; the proposed role and its impact.

B3. Risk management system including the own risk and solvency assessment

B3.1 Risk Management Framework

FBD has adopted an Enterprise Risk Management Framework which comprises of strategies, policies, processes and reporting procedures necessary to identify, assess, monitor, manage and report, on a continuous basis the risks, at an individual and at an aggregated level, to which the Group could be exposed. The key elements of the Enterprise Risk Management Framework are Risk Appetite, Risk Governance, Risk Process and People. FBD has established procedures to monitor and report on the system of controls and it follows the three lines of defence model outlined previously.

Key components of monitoring and reporting of the system of control include:

- Business Unit Quality Assurance;
- Business Unit Management Information;
- Risk Control Self-Assessment;
- Error Reporting;
- First Line Reviews;
- Second Line Reviews;
- Third Line Internal Audits; and
- Board/Executive Committee Reporting.

B3.2 Risk Implementation and Integration

All staff are expected to demonstrate appropriate standards of behaviour in the development of strategy and the pursuit of objectives. This philosophy is supported by the following guiding principles. Management and employees shall:

- Consider all forms of risk in decision-making;
- Create and evaluate business-unit level and Group-level risk profile to consider what's best for their individual business unit and department and what's best for the Group as a whole;
- Support executive management's creation of a Group-level portfolio view of risk;
- Retain ownership and accountability for risk and risk management at the business unit or other point of influence level;
- Strive to achieve best practices in enterprise risk management;
- Monitor compliance with policies and procedures and the state of enterprise risk management;
- Leverage existing risk management practices, wherever they exist within the Group;
- Document and report all significant risks and enterprise risk management deficiencies; and
- Accept that enterprise risk management is mandatory, not optional.

Roles and Responsibilities

While the Board has ultimate responsibility for all risk-taking activity within the Group, it has delegated some risk governance tasks to a number of committees or key officers. The Group uses a 'three lines of defence' framework in the delineation of accountabilities for risk governance as outlined in B 1.3.

The Risk Management Function maintains a Corporate Risk Register with each risk assigned to a Risk Owner and a Risk Champion/Business Risk Partner in the Business.

Line Management/Risk Owner

The first line of defence within each business and support unit is line management. Line management has primary responsibility for ensuring that the business complies with their specific obligations. In addition, the first line of defence is responsible for working with the Risk Management Function to identify, assess, monitor and report risk. Line management is also responsible for ensuring that all staff members receive appropriate training.

Risk Champion

Risk Champions report to their departmental manager. These individuals are well placed in FBD to ensure the continuous monitoring and reporting of their risk and control environment.

Business Risk Partners

These roles act as a 1.5 line of defence in the oversight of risks and controls for their Business Area.

Risk Appetite Framework

Risk appetite is a measure of the amount and type of risks FBD is willing to accept or not accept over a defined period of time in pursuit of its objectives. The Risk Appetite Framework defines FBD's appetite for each main risk category describing at a high level the type of risk it is willing to take.

The Group's appetite is to maintain sustainable profit and a strong capital position while acting in the best interests of consumers. The risk appetite in FBD is driven by an overarching desire to protect the solvency of the Group at all times. Through the proactive management of risk, FBD ensures that it does not currently have or will not take on an individual risk or combination of risks that could threaten the solvency of the Group. This ensures that FBD has and will have in the future sufficient capital to pay its policyholders and all other creditors in full as these liabilities fall due.

The management of risks are outlined further in Section C of this report. The Risk Appetite Framework is reviewed and approved at least annually by the Board and is monitored and reported by the Risk Function in order to support and embed risk in the decision making process of the Group.

Risk Policies

The Group has developed a number of risk management policies which clearly set out the following:

- Definition of risk;
- Objective;
- Roles and Responsibilities;
- Processes; and
- Reporting procedures to be applied.

The risk policies are reviewed at least annually by the Board or more frequently if the system, or area concerned, undergoes significant change.

B3.3 The Own Risk and Solvency Assessment (ORSA) Process

B3.3.1 ORSA Process Overview

The ORSA is a continuous process and FBD considers the process outputs when managing Capital risk. The key elements of the ORSA process include the following;

- An assessment of the Group's risk profile;
- An assessment of the appropriateness of the Standard Formula for FBD;
- The calculation of Capital projections based on the Group's Business Plan;

- Stress and Scenario testing;
- A review of the Capital Recovery Plan; and
- A review of the Capital Risk Appetite Statement and tolerance limits.

The ORSA process is an integral part of the business strategy. When making strategic decisions the ORSA process is considered. The ORSA process is fully integrated into the following decisions;

- Setting Shareholder Dividend Policy;
- Setting Investment Strategy;
- Purchasing Reinsurance Programmes;
- Setting Underwriting Policy;
- Or, in any other business decision where there may be a Capital impact.

Where relevant to decisions, Board Papers include information on the capital implications of that decision.

B3.3.2 ORSA Approval by the Administrative, Management or Supervisory Body (AMSB)

The ORSA is a top down process owned by the Board. It is an ongoing process, which ensures that the business is managed soundly and prudently by identifying, assessing and monitoring current and future solvency needs in light of all the risks faced. FBD must submit at least one ORSA Report to the Central Bank of Ireland each year.

The ORSA is a very important process as it provides the Board with a comprehensive understanding of the Group's key risks. These risks include both current and emerging risks. FBD's overall solvency needs are assessed having considered these risks.

The ORSA Supervisory Report is prepared by the Chief Risk Officer and is subject to Board Risk Committee and Board approval prior to submission to the Central Bank.

B3.3.3 Overall Solvency Needs

FBD's overall solvency needs are assessed at least annually as part of the ORSA process. The assessment takes into account the specific risk profile, approved risk tolerance limits and the business strategy of the Group.

A key part of this assessment is to review the significance of any deviation between the risk profile of FBD and the assumptions underlying the Standard Formula SCR calculation.

As part of the overall solvency needs assessment the Group's Strategy and Business Plan is also considered. Base case financial projections covering the FBD planning cycle period are developed. Based on these financials the Group's capital position is projected. This capital projection is then subjected to a number of stress tests, reverse stress tests and scenario analyses. Based on the outputs of these tests the Group reviews the appropriateness of their Capital Risk Appetite.

The Risk Function with input from key stakeholders develops the stress and scenario tests. The stress and scenarios chosen take into account the material risks facing the Group, external environment and likelihood of occurring based on historical analysis. These tests are presented to the Board Risk Committee for review and challenge and to the Board for review, challenge and approval.

B4. Internal control system

B4.1 Internal Control Environment

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness. The system which operates in FBD is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

In accordance with the revised Financial Reporting Council (FRC) guidance for directors on internal control published in September 2014, "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting", the Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, that it has been in place for the year under review and up to the date of approval of the financial statements and that this process is regularly reviewed by the Board.

The key risk management and internal control procedures which cover all material controls include:

- Skilled and experienced management and staff in line with fit and proper requirements;
- Roles and responsibilities including reporting lines clearly defined with performance linked to Group objectives;
- An organisation structure with clearly defined lines of responsibility and authority;
- The maintenance of proper accounting records;
- A comprehensive system of financial control incorporating budgeting, periodic financial reporting and variance analysis;
- A Risk Committee of the Board and a risk management framework comprising a risk function headed by a Chief Risk Officer, a clearly stated risk appetite and risk strategy supported by approved risk management policies and processes;
- An Executive Risk Committee comprising of senior management whose main role includes reviewing and challenging key risk information and to assist the Board Risk Committee, described earlier, in the discharge of its duties between meetings;
- A Consumer and Culture Committee comprising of senior management whose main role includes supporting the Risk Function in ensuring it has an appropriate and achievable mandate to roll-out the Risk Management Framework, consumer risk limits and reporting structure to all business functions;
- The risk strategy, framework and appetite are articulated in a suite of policies covering all risk types and supported by detailed procedural documents. Each of these documents is subject to annual review and approval by the Board;
- Performance of an ORSA linking to risk management, strategy and capital management;
- A Group Internal Audit function;
- A Group Compliance function;
- A Data Protection Officer;
- An Audit Committee whose formal terms of reference include responsibility for assessing the significant risks facing the Group in the achievement of its objectives and the controls in place to mitigate those risks;
- A Disaster Recovery Framework is in place and is regularly tested;
- A Business Continuity Framework is in place and is regularly tested;
- An IT Risk Management Framework;
- A number of key Group policies in place include a Corporate Governance Framework, Fitness and Probity Policy, Financial Reporting Policy, Speak Up Policy and Code of Conduct.

The Annual Budget, Half-Yearly Report and Annual Report are reviewed and approved by the Board. Financial results with comparisons against budget are reported to Executive Directors on a monthly basis and are reported to the Board quarterly.

The risk management, internal control, reporting and forecasting processes are important to the Board in the exercise of its Governance and Oversight role. The Board constantly strives to further improve their quality. The Group has established a Speak Up Policy for workers* (as defined by the Protected Disclosures (Amendment) Act 2022), the purpose of which is to ensure that:

- Workers* are aware of the arrangements and protection in place for raising concerns in respect of wrongdoing in the Group.
- Workers* are aware that it is safe and appropriate for all employees to raise a concern.
- FBD take appropriate measures to ensure concerns are appropriately investigated and to safeguard workers* who:
    - Raise genuine concerns; or
    - Are the subject to an investigation; or
    - Were the subject to an investigation and where no evidence of wrongdoing was discovered.

The Policy and supporting procedures are reviewed annually and were reviewed and updated in December 2022 following the publication and enactment of Protected Disclosures (Amendment) Act 2022. The Policy is available on the FBD Group website and all employees received annual mandatory training.

Internal Controls over Financial Reporting

The main features of the internal control framework which supports the preparation of the consolidated financial statements are as follows:

- A comprehensive set of accounting policies are in place relating to the preparation of the interim and annual financial statements in line with IFRS;
- A number of policies and controls are in place to support the delivery of the annual report and half yearly report including a Financial Reporting Policy and Internal Control Policy;
- An appropriately qualified and skilled Finance team is in place operating under the supervision of experienced management who are compliant with fit and proper requirements;
- Appropriate financial and accounting software is in place;
- A control process is followed as part of the interim and annual financial statements preparation, involving the appropriate level of management review of the significant account line items, and where judgments and estimates are made, they are independently reviewed to ensure that they are reasonable and appropriate. This ensures that the consolidated financial information required for the interim and annual financial statements is presented fairly and disclosed appropriately;
- Preparation and review of key account reconciliations;
- The Audit Committee members attend a series of meetings in the lead up to the annual financial statements to consider and review the financial statements in detail and to have early sight of key uncertainties and judgements;
- Detailed papers are prepared for review and approval by the Audit Committee covering all significant judgmental and technical accounting issues together with any significant presentation and disclosure matters;
- The Audit Committee has a number of responsibilities delegated to it under its Terms of Reference. On an annual basis an assessment is carried out of the Committee's compliance with its Terms of Reference.

The Board confirms that it has reviewed the effectiveness of the Group's Systems of Internal Control for the year ended 31 December 2022. The 2022 internal control assessment provides reasonable assurance that the

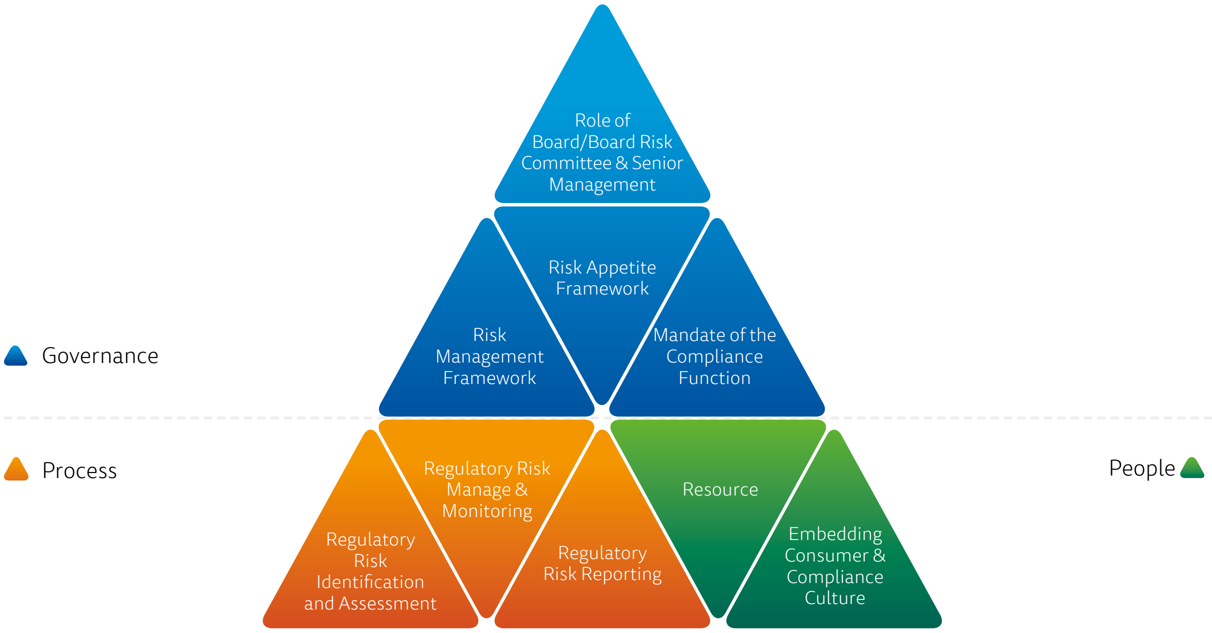
Group's controls are effective, and that where control weaknesses are identified, they are subject to management oversight and action plans.

B4.2 Compliance Function Implementation

Compliance Framework

The Compliance Function operates in the second line of defence and through the Head of Compliance develops and implements the Board approved Compliance Framework. The Compliance Framework sets out how regulatory risk is managed in FBD under the headings of governance, process and people. The framework outlines the various compliance related activities which are undertaken and provides a structure and clarity over compliance activities.

The key elements of the Compliance Framework are illustrated below:



The Annual Compliance Plan is developed by the Head of Compliance and approved by the Board.

B5. Internal Audit function

B5.1 How the Internal Audit Function is Implemented

The Internal Audit Function is the third line of defence in the risk governance structure operated by the Group. Internal Audit provides independent assurance to the Board through the Audit Committee on risk-taking activities. The Internal Audit Function is formally established through its Charter, which is reviewed and approved by the Audit Committee annually. The Internal Audit Charter states that Internal Audit is to operate in compliance with the International Standards for the Practice of Internal Auditing issued by the Institute of Internal Auditors ("IIA"), the IIA's Internal Audit Financial Services Code of Practice and the IIA's Code of Ethics. The Standards, Code of Practice, together with the Code of Ethics, encompass all mandatory elements of the International Professional Practices Framework ("IPPF"); therefore, conformance with the Code of Ethics and the Standards demonstrates conformance with all mandatory elements of the International Professional Practices Framework.

B5.2 Maintaining Independence and Objectivity

The Head of Internal Audit (HIA) has a direct reporting line to, with direct and unlimited access to, the Chair of the Board Audit Committee. The Board Audit Committee is responsible for the appointment and removal of the HIA. The Internal Audit Charter notes that Internal Audit is specifically prohibited from performing management activities, including:

- Performing Operational duties; including operation of policies and procedures;
- Initiating or approving accounting transactions; and
- Undertaking consulting engagements where the primary aim includes process improvement, implementation of systems, or advising on operating practices.

The Charter also notes that in order to minimise the risk of conflicts of interest the HIA will, where possible taking into account the size of the audit team, rotate members of audit team assigned to audits that they have participated in previously. Lastly, the Internal Audit Manual states: "To maintain independence Internal Audit staff are required to refrain from auditing operations for which they were responsible within the preceding 12 months and specific operations where there is a personal conflict of interest".

B6. Actuarial function

B6.1 Description

The Actuarial Function is part of the second line of defence within the "three lines of defence" model operated by the Group. The Actuarial Function is responsible for calculating the Best Estimate Technical Provisions and expressing an Opinion on the Technical Provisions, the underwriting policy, the adequacy of reinsurance arrangements and the ORSA.

The Actuarial Function annual activities are prescribed within a Terms of Reference which is included in the Actuarial Function Report that is reviewed by the Board annually. The Actuarial Function shall have full, unrestricted access to all information, explanations, records, and personnel necessary for the completion of those activities.

B6.2 Reporting

The Head of Actuarial Function reports directly to the Chief Financial Officer. Also, the Head of Actuarial Function has access to the Independent Non-Executive Directors of the Reserving Committee.

The Head of Actuarial Function presents all Opinions to the necessary Board Committee's and the Board on an annual basis. In addition, results from quarterly reserving analyses and other material analyses are reported to the Reserving Committee, Audit Committee and the Board.

B7. Outsourcing

FBD outsources a number of processes, services and activities to service providers to assist in achieving its strategic objectives and delivering a high level of service to its customers. FBD has an Outsourcing Policy in place, the purpose of which is to provide guidance governing the definition of outsourcing and criticality of outsourcers and includes sections on:

- Policy principles;
- Roles and responsibilities;
- Business case;
- Due diligence;
- Business continuity;
- Contract agreements;
- Relationship Management Framework;
- Management of Outsourced Activity; and
- Outsourcing records.

The outsourcing arrangements in place for the Group are reviewed annually in line with the policy and the Board approve all "Critical Outsourcing" arrangements.

Critical Outsourcing Service Provided	Jurisdiction
Co-location of the data centre, Managed Services including System Monitoring, Data Backup/ Restores, Web Hosting for ecommerce and Security	Ireland
Management of the Corporate Bond Portfolio	UK*
Management of the Sovereign Bond Portfolio	Ireland
Management of the collective investment schemes	Ireland
Batch, print and dispatch of customer documentation	Ireland

* *FBD is contracted with a UK legal entity to provide asset management services on its Corporate Bond Portfolio. The asset manager has its headquarters based in an EU27 country.*

B8. Any other information

No other material information to be disclosed.

C. Risk Profile

In accordance with Group policy, business unit management has primary responsibility for the effective identification, management, monitoring and reporting of risks. There is an annual review by the Risk Committee of all major risks to ensure all risks are identified and evaluated. Each risk is assessed by considering the potential impact and the probability of the event occurring. Impact assessments are made against financial, operational, regulatory and reputational criteria.

C1. Underwriting risk

Underwriting

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks written and within each of the types of cover, to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. The principal insurance covers provided by the Group include, Motor, Employers' and Public Liability and Property.

The Group manages these risks through its underwriting strategy, proactive claims handling and its reinsurance arrangements. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks written and to reduce the variability of the expected outcome by each risk category. The only significant concentration of insurance risk is that all of the Group's underwriting business is conducted in Ireland. Within Ireland there is no significant concentration risk in any one area.

The Group's underwriting strategy is incorporated in the overall corporate strategy which is approved by the Board of Directors and includes the employment of appropriately qualified underwriting personnel; the targeting of certain types of business that conform with the Group's risk appetite and reinsurance treaties; constant review of the Group's pricing policy using up-to-date statistical analysis and claims experience; and the surveying of risks carried out by experienced personnel. All risks underwritten are within the Group's underwriting policies.

Reserving

While the Group's underwriting risk appetite is constantly reviewed and managed, there is no certainty that the cost of claims will not rise due to abnormal weather events, increased claims frequency, increased severity, changes in regulatory environment, change in economic activity or any other reason. Such an increase could have a material impact on the results and financial condition of the Group.

The Group establishes provisions for unpaid claims, legal costs and related expenses to cover its ultimate liability in respect of both reported claims and incurred but not reported (IBNR) claims. These provisions take into account both the Group's and the industry's experience of similar business, historical trends in reserving patterns, loss payments and pending levels of unpaid claims and awards, as well as any potential changes in historic rates arising from market or economic conditions. The provision estimates are subject to rigorous review and challenge by senior management, the Reserving Committee and the Board.

The estimation and measurement of claims provisions is a major determining factor in the Group's results and financial position. The Group uses statistical and actuarial methods to calculate the quantum of claims provisions and uses independent actuaries to review its liabilities to ensure that the carrying amount of the liabilities is adequate. Where the liabilities, net of any related deferred acquisition costs, are deemed to be inadequate, the deficiency is recognised immediately in the Income Statement. There is no certainty that the amount provided is sufficient – further claims could arise or settlement costs could increase as a result of claims inflation, periodic payments or the size of court awards. Such an increase could have a material impact on the results and financial condition of the Group.

Catastrophe Risk

The Group purchases reinsurance protection to limit its exposure to single large claims and the aggregation of claims from catastrophic events. The Group's reinsurance is approved by the Board of Directors on an annual basis.

FBD has purchased a reinsurance programme which has been developed to meet the local domestic risk profile and tailored to FBD's risk appetite. The programme protects, Motor, Liability, Property and other classes against both individual and cumulative large losses and events.

C1.1 Concentration Risk

Concentration risk is the risk of loss due to over-dependence on a singular investment or category of business. While all of the Group's underwriting business is conducted in Ireland, with a significant focus on the agri sector, it is spread over a wide geographical area with no concentration in any one county or region. The resultant concentration risk from adverse weather events, i.e. floods, storms or freezes in Ireland, are mitigated by a flood mapping solution and an appropriate reinsurance strategy.

Receivables arising out of direct insurance operations and other receivables have no significant concentration of risk.

C1.2 Risk Sensitivity for Underwriting Risks

FBD carries out stress and scenario testing as part of the ORSA process which includes stress testing for material underwriting risks. For the 2022 ORSA, the solvency position at 30 September 2022 and the projected solvency position over the business planning period were re-calculated following high impact low likelihood adverse stresses.

The outcome of the stress and scenario tests is that in each case FBD would have sufficient available capital to continue to meet the SCR.

C2. Market risk

The Group has invested in term deposits, listed debt securities, investment property and externally managed collective investment schemes which provide exposure to a broad range of asset classes. These investments are subject to market risk, whereby the value of the investments may fluctuate as a result of changes in market prices, changes in market interest rates or changes in the foreign exchange rates of the currency in which the investments are denominated. The extent of the exposure to market risk is managed by the formulation of, and adherence to, an Investment Policy incorporating clearly defined investment limits and rules, as approved annually by the Board of Directors and employment of appropriately qualified and experienced personnel and external investment management specialists to manage the Group's investment portfolio. The overriding philosophy of the Investment Policy is to protect and safeguard the Group's assets and to ensure its capacity to underwrite is not put at risk. The Group abides by the Prudent Person Principle meaning that it will only invest in assets the risks of which can be properly identified, measured, monitored, managed and controlled.

C2.1 Interest Rate and Spread Risk

Interest rate and spread risk arises primarily from the Group's investments in listed debt securities and deposits and their movement relatively to the Group's liabilities. The Group reviews its exposure to interest rate and spread risk on a quarterly basis by conducting an asset liability matching analysis. As part of this analysis it monitors the movement in assets minus liabilities for defined interest rate stresses and ensures that they remain within set limits as laid out in its Asset Liability Management Policy. Similar monitoring is done for spread risk.

At 31 December 2022, the Group held the following deposits and quoted debt securities:

	2022		2021	
	Market Value €000s	Weighted average interest rate %	Market Value €000s	Weighted average interest rate %
Time to maturity				
In one year or less	**115,842**	**0.96**	167,088	1.19
In more than one year, but not more than two years	**82,389**	**1.23**	140,867	0.95
In more than two years, but not more than three years	**131,223**	**1.11**	79,179	1.28
In more than three years, but not more than four years	**203,391**	**1.09**	103,619	1.04
In more than four years, but not more than five years	**145,160**	**1.18**	165,158	1.02
More than five years	**165,860**	**1.44**	236,584	0.82
Total	**843,865**		892,495	

C2.2 Other Market Risks

The Group is subject to equity price risk due to its holdings in collective investment schemes which invest in equities. The amounts exposed to equity price risk (including unlisted equity exposure) at the reporting date are:

	2022 €000s	2021 €000s
Equity exposure	**50,468**	54,213

The Group is subject to property price risk due to its investment property holdings. The amounts exposed to property price risk at the reporting date are:

	2022 €000s	2021 €000s
Investment property exposure	**15,052**	16,055
Owner occupied property exposure	**15,984**	16,389
Total property exposure	**31,036**	32,444

The Group has the following holdings in other risk assets, held in collective investment schemes, as at the reporting date:

	2022 €000s	2021 €000s
Other risk asset exposure	**82,497**	83,333

These assets comprise of High Yield Bonds, Emerging Market Debt, Absolute return fixed income strategies and Senior Private Debt. These assets are mainly subject to foreign exchange, interest rate and spread risk.

C2.3 Risk Sensitivity for Market Risks

FBD carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material market risks. For the 2022 ORSA, the solvency position at 30 September 2022 and the projected solvency position over the business planning period were re-calculated following high impact low likelihood adverse stresses.

The outcome of the stress and scenario tests is that in each case FBD would have sufficient available capital to continue to meet the SCR.

C3. Credit risk

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

Credit risk is measured separately for:

- Reinsurance assets;
- Other receivables (policyholders, agents and intermediaries);
- Cash and Cash equivalents; and
- Listed debt securities.

The Group purchases reinsurance protection to limit its exposure to single claims and the aggregation of claims from catastrophic events. The Group only places reinsurance with companies that it believes are strong financially and operationally. Credit exposures to these companies are closely monitored by senior management. All of the Group's current reinsurers have a credit rating of A- or better. The Group has assessed these credit ratings and security as being satisfactory in diminishing the Group's exposure to the credit risk of its reinsurance receivables.

Financial assets are graded according to current credit ratings issued by the main credit rating agencies. Investment grade financial assets are classified within the range of AAA to BBB ratings. Financial assets which fall outside this range are classified as speculative grade. All of the Group's bank deposits are with financial institutions which have a minimum A- rating. The Group holds the following listed Government bonds (average credit rating: A) and listed corporate bonds (average credit rating: A-), with the following credit profile:

FBD Holdings plc	2022		2021	
	Market Value €000s	**Weighted Average Duration**	**Market Value €000s**	**Weighted Average Duration**
Government Bonds				
AAA	**20,706**	**0.6**	21,205	1.6
AA+	**32,902**	**2.5**	8,056	1.2
AA	**87,099**	**4.2**	92,484	4.9
A+	**-**	**-**	40,072	0.2
BBB+	**60,909**	**4.0**	70,307	5.1
BBB	**41,797**	**5.3**	48,509	4.9
BBB-	**27,599**	**3.7**	22,376	4.8
Total	**271,012**	**3.8**	303,009	4.0

Corporate Bonds				
AAA	**6,414**	**4.4**	-	-
AA+	**4,970**	**4.2**	2,031	6.2
AA	**9,592**	**1.4**	7,373	2.0
AA-	**44,319**	**3.5**	32,421	2.9
A+	**69,279**	**3.6**	72,825	3.3
A	**59,107**	**2.7**	59,667	2.7
A-	**134,086**	**3.2**	134,036	3.1
BBB+	**104,602**	**2.8**	122,694	3.0
BBB	**98,230**	**2.6**	118,984	3.0
BBB-	**32,252**	**1.9**	39,455	2.7
Total	**562,852**	**3.0**	589,486	3.0

The extent of the exposure to credit risk is managed by the formulation of, and adherence to, an Investment Policy incorporating clearly defined investment limits and rules, as approved annually by the Board of Directors. The Group employ appropriately qualified, experienced personnel and external investment management specialists to manage the investment portfolio. The overriding philosophy of the Investment Policy is to protect and safeguard the Group's assets and to ensure its capacity to underwrite is not put at risk.

C3.1 Concentration Risk

Concentration risk is the risk of loss due to over-dependence on a singular investment or category of business. The main concentration risks to which the Group is exposed, and how they are mitigated, are as follows:

- Exposure to a single country, counterparty or security as part of its sovereign or corporate bond portfolio. The Group mitigates this risk by placing limits on these exposures with its investment managers which are continuously monitored.
- Exposure to a single counterparty as part of its cash and deposit holdings. The Group mitigates this risk by placing limits on its total exposures to banking counterparties as set out in the Group's Investment Policy, which is approved annually by the Board of Directors.

Receivables arising out of direct insurance operations and other receivables have no significant concentration of risk.

C3.2 Risk Sensitivity for Credit Risks

FBD carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material credit risks. For the 2022 ORSA, the solvency position at 30 September 2022 and the projected solvency position over the business planning period were re-calculated following high impact low likelihood adverse stresses.

The outcome of the stress and scenario tests is that in each case FBD would have sufficient available capital to continue to meet the SCR.

C4. Liquidity risk

The Group is exposed to daily calls on its cash resources, mainly for claims payments. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring that the maturity profile of its financial assets is well matched to the maturity profile of its liabilities and maintaining a minimum cash amount available on short term access at all times.

The following tables provide an analysis of assets and liabilities into their relevant maturity groups based on the remaining period to contractual maturity/expected settlement. The contracted value below is the undiscounted cash flow.

FBD Holdings plc Assets – 2022	Carrying Value total €000s	Contracted Value €000s	Cashflow within 1 year €000s	Cashflow 1-5 years €000s	Cashflow after 5 years €000s
Available for sale investments	**834,994**	961,566	132,461	634,652	194,453
Investments held for trading	**132,965**	132,965	105,419	-	27,546
Deposits	**10,000**	10,020	10	10,010	-
Reinsurance assets	**138,785**	138,785	84,390	48,087	6,308
Loans and receivables	**58,887**	58,886	58,886	-	-
Cash and cash equivalents	**162,398**	162,398	162,398	-	-
Total	**1,338,029**	**1,464,620**	**543,564**	**692,749**	**228,307**

Liabilities – 2022	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities	**932,677**	932,677	405,808	442,253	84,616
Payables	**46,327**	46,327	46,327	-	-
Other provision	**11,615**	11,615	11,615	-	-
Subordinated bond	**49,662**	65,000	2,500	10,000	52,500
Total	**1,040,281**	**1,055,619**	**466,250**	**452,253**	**137,116**

FBD Holdings plc Assets – 2021	Carrying Value total €000s	Contracted Value €000s	Cashflow within 1 year €000s	Cashflow 1-5 years €000s	Cashflow after 5 years €000s
Available for sale investments	**893,715**	904,983	186,080	490,641	228,262
Investments held for trading	**137,547**	137,547	123,661	-	13,886
Reinsurance assets	**196,960**	196,960	124,363	66,604	5,993
Loans and receivables	**58,624**	58,624	58,624	-	-
Cash and cash equivalents	**164,479**	164,479	164,479	-	-
Total	**1,451,325**	**1,462,593**	**657,207**	**557,245**	**248,141**

Liabilities – 2021	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities	**985,404**	985,404	422,486	473,404	89,514
Payables	**41,657**	41,657	41,657	-	-
Other provision	**13,492**	13,492	13,492	-	-
Subordinated bond	**49,603**	67,500	2,500	10,000	55,000
Total	**1,090,156**	**1,108,053**	**480,135**	**483,404**	**144,514**

FBD Insurance plc Assets - 2022	Carrying Value total €000s	Contracted Value €000s	Cashflow within 1 year €000s	Cashflow 1-5 years €000s	Cashflow after 5 years €000s
Available for sale investments	**834,992**	961,566	132,461	634,652	194,453
Investments held for trading	**132,965**	132,965	105,419	-	27,546
Deposits	**10,000**	10,020	10	10,010	-
Reinsurance assets	**138,785**	138,785	84,390	48,087	6,308
Loans and receivables	**56,499**	56,499	56,499	-	-
Cash and cash equivalents	**144,944**	144,944	144,944	-	-
Total	**1,318,185**	**1,444,779**	**523,723**	**692,749**	**228,307**

Liabilities – 2022	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities	**932,677**	932,677	405,808	442,253	84,616
Other provisions	**11,615**	11,615	11,615	-	-
Payables	**46,326**	46,326	46,326	-	-
Subordinated bond	**49,662**	65,000	2,500	10,000	52,500
Total	**1,040,280**	**1,055,618**	**466,249**	**452,253**	**137,116**

FBD Insurance plc Assets - 2021	Carrying Value total €000s	Contracted Value €000s	Cashflow within 1 year €000s	Cashflow 1-5 years €000s	Cashflow after 5 years €000s
Available for sale investments	**893,714**	904,983	186,080	490,641	228,262
Investments held for trading	**137,547**	137,547	123,661	-	13,886
Reinsurance assets	**196,960**	196,960	124,363	66,604	5,993
Loans and receivables	**54,985**	54,985	54,985	-	-
Cash and cash equivalents	**152,575**	152,575	152,575	-	-
Total	**1,435,781**	**1,447,050**	**641,664**	**557,245**	**248,141**

Liabilities – 2021	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities	**985,404**	985,404	422,486	473,404	89,514
Other provisions	**13,492**	13,492	13,492	-	-
Payables	**41,675**	41,675	41,675	-	-
Subordinated bond	**49,603**	67,500	2,500	10,000	55,000
Total	**1,090,174**	**1,108,071**	**480,153**	**483,404**	**144,514**

C4.1 Expected Profit Included in Future Premium

The expected profit included in future premiums (EPIFP) is €10.8m net of reinsurance.

C4.2 Risk Sensitivity for Liquidity Risks

Given that liquidity is not a material risk for FBD, no specific risk sensitivity is provided.

C5. Operational risk

Operational risk could arise as a result of inadequately controlled internal processes or systems, human error or from external events. Operational risks are regularly assessed against financial, operational, regulatory and reputational criteria.

This definition is intended to include all risks to which the Group is exposed and that are not considered elsewhere. Hence, operational risks include for example, information technology, information security, human resources, project management, outsourcing, taxation, legal, fraud and regulatory risks. Business Unit Management has primary responsibility for the effective identification, management, monitoring and reporting of operational risks which are overseen by the second and third line functions.

FBD Insurance plc is regulated by the Central Bank of Ireland and must ensure that it conducts its business in accordance with regulatory requirements at all times. FBD Insurance plc has no appetite for confirmed and quantified breaches of compliance with regulatory requirements and has an embedded Compliance Framework with regular reporting to the Board which provide assurance that compliance controls are operating effectively in the Group.

The success of the Group depends upon its ability to retain, attract, motivate and develop talent. FBD are committed to providing employees at all levels with appropriate training, development and education relevant to their role. Training needs are identified through performance management and operational planning. A Talent Management and Succession Plan is in place and reviewed regularly. This ensures that FBD develops and retains key talent and is best placed to replace key roles in a seamless manner should the need arise.

The Group relies significantly on information technology to support the business and as such may be susceptible to risks associated with information security, be that through security breaches, cyber-attacks or other failures or malfunctions. Information technology controls are in place across the Group, including a dedicated IT security team with overall responsibility for managing information technology security standards, which together with on-going employee training and regular cyber-risk reviews are used to mitigate such information technology risks.

In addition, the Group has taken significant steps to minimise the impact of Business Interruption that could result from a major external event. Formal Business Continuity and Disaster Recovery plans are in place for both workspace recovery and retrieval of communications, IT systems and data. If a major event occurs, these plans will enable the Company to either move the affected operations amongst its various sites or invoke remote working from home. FBD carries out two minor and one major Business Continuity/Disaster Recovery exercises per year.

C5.1 Risk Sensitivity for Operational Risks

FBD carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material operational risks. For the 2022 ORSA, the solvency position at 30 September 2022 and the projected solvency position over the business planning period were re-calculated following high impact low likelihood adverse stresses. The stress and scenarios chosen has taken into account the material operational risks facing the Group including cyber and IT risk.

The outcome of the stress and scenario tests is that in each case FBD would have sufficient available capital to continue to meet the SCR.

C6. Other material risks

C6.1 Climate Change

The management of climate risk is strategically important to FBD, from both a commercial and Stakeholder perspective. It is an area of focus for the Group and under active consideration, particularly;

- Physical risks to property and person from variable weather patterns and long term climate change
- Transition risks from the process of adjustment to a low carbon economy

FBD will manage climate risk primarily through the quarterly Risk and Control Self Assessments process. The review ensures that each Business Area has appropriately captured the risks related to Climate Risk (both transition risks and physical risks) and has supporting mitigating controls in place.

The quarterly review will also ensure that risks and controls related to climate consider the time horizon and double materiality impact. This approach ensures that climate risk is evaluated and managed within a defined Framework subject to ongoing challenge and validation, ongoing analysis, monitoring and reporting of it are in place and embedded within governance structures as it evolves.

Climate risk has been integrated into capital planning as part of the Own Risk and Solvency Assessment (ORSA) process.

C6.2 Inflation and Geopolitical Risk

2022 saw the return of significant inflation to developed world economies. The energy crisis, which was exacerbated by the Russian invasion of Ukraine, was largely behind the upward spiral. Central banks around the world have been raising interest rates aggressively in an effort to keep the rate of inflation under control. This has resulted in bond markets having their worst year in a long time. It remains a risk whether this monetary policy will have the desired outcome in controlling inflation and whether it will push these economies into a recession with a resultant impact on asset prices.

FBD experienced significant mark-to-market losses on its bond portfolios during 2022, however, due to the buy and hold nature of the portfolios these losses will unwind as the bonds approach maturity while the higher yields on reinvestments will have a material impact on investment income over the coming years.

Higher inflation not only impacts on market risk but also reserving and underwriting risk. The rapid rise in the rate of inflation during 2022 has a resultant impact on reserving for future claims and pricing of new business. FBD's Actuarial team is continually monitoring the rate of inflation for the purposes of reserving and pricing.

The rising cost of building materials and labour during 2022 meant the risk of underinsurance for FBD policyholders was a significant risk in the case of home and property insurance. In response to this risk FBD ran a number of initiatives including issuing a communication to home policyholders outlining the consequences of underinsurance and updating the Home Policy Booklet with additional guidance for our customers in relation to underinsurance.

Geopolitical risks have increased globally in the last year. The Russian invasion of Ukraine was the catalyst for the energy crisis in Europe last year and exacerbated inflation which was already increasing significantly. The risk of the war broadening remains a significant risk. There are other flash points in the world where geopolitical risk is elevated also. An escalation in these risks may impact FBD in the form of market risk and inflation risk.

C6.4 Emerging Risks

An emerging risk is a risk which may or may not develop, is difficult to quantify, may have a high loss potential and is marked by a high degree of uncertainty. We have a defined process in place for the identification of and response to emerging risks, which is informed through the use of subject matter experts, workshops, Risk and Control Self Assessments and consulting a range of external resources. Key emerging risks are monitored regularly by the Board and Risk Committees to assess whether they might become significant for the business and require specified action to be taken. Key Emerging Risks include:

- An increased frequency of cyber attacks, and the impact that these factors may have on society's future insurance needs and claims types and frequencies.
- Stricter Emission Targets and ESG driven market change.
- Technological advances changing the shape of the insurance industry and competitive environment.
- Changes in customer behaviour including the potential expectation to communicate largely through mobile channels or the expectation of self-service and self-solve.
- Global deterioration in economic conditions and particularly in Ireland may lead to a reduction in revenue and profits.
- Global socio-political uncertainty that may cause an adverse impact on profitability.
- Evolving regulatory and legislative landscape. We continuously monitor developments at both a local and EU level to ensure continued compliance with legislative and regulatory requirements.
- Availability of reinsurance may be restricted due to macroeconomic, environmental and/or market developments.

C6.5 Off Balance Sheet Positions

The Group does not have any risk exposure arising from Off Balance Sheet positions.

C6.6 Special Purpose Vehicles

The Group does not have any risk exposure arising from Special Purpose Vehicles.

C7. Any other information

No other material information to be disclosed.

D. Valuation for Solvency Purposes

This section contains information regarding the valuation of the Balance Sheet items. For each material asset class the bases, methods and main assumptions used for valuation for solvency purposes are described. Each material class of asset includes a quantitative and qualitative explanation of any material difference between the valuation for solvency purposes and the valuation in the financial statements. There are some small rounding differences as the figures are agreed to the Quantitative Reporting Templates (QRTs) prepared at a more granular level.

FBD Holdings plc Balance Sheet	**Solvency II value 31 December 2022 €000s**	**IFRS 31 December 2022 €000s**
Deferred acquisitions costs	-	38,520
Intangible assets	-	14,082
Deferred tax assets	10,914	8,091
Pension benefit surplus	-	8,499
Property, plant & equipment held for own use	22,745	22,745
Policy Administration System	4,263	23,683
Property (other than for own use)	15,052	15,052
Right of use assets	-	4,290
Financial Assets- Equities	1,129	1,129
Financial Assets- Government Bonds	273,025	271,013
Financial Assets Corporate Bonds	565,520	562,852
Financial Assets- collective investments schemes	189,570	132,965
Deposits (including cash and cash equivalents)	119,759	172,398
Loans and mortgages	580	580
Reinsurance recoverables	126,458	138,785
Receivables (trade, not insurance)	6,006	6,006
Any other assets, not elsewhere shown	10,350	52,301
Total assets	**1,345,371**	**1,472,991**

	Solvency II value 31 December 2022 €000s	**IFRS 31 December 2022 €000s**
Technical provisions- non- life	766,242	932,677
Provisions other than technical provisions	10,927	11,615
Deferred tax liabilities	8,779	-
Payables (trade, not insurance)	42,358	42,871
Lease liability	-	4,600
Subordinated liabilities	50,000	49,662
Any other liabilities, not elsewhere shown	-	5,855
Total liabilities	**878,306**	**1,047,280**
Excess of assets over liabilities	**467,065**	**425,711**

FBD Insurance plc Balance Sheet	Solvency II value 31 December 2022 €000s	IFRS 31 December 2022 €000s
Deferred acquisitions costs	-	38,520
Intangible assets	-	14,082
Deferred tax assets	10,644	8,032
Pension benefit surplus	-	5,365
Property, plant & equipment held for own use	15,260	15,260
Policy Administration System	4,263	23,683
Property (other than for own use)	20,434	20,434
Right of use assets	-	3,858
Financial Assets- Equities	1,128	1,128
Financial Assets- Government Bonds	273,024	271,012
Financial Assets Corporate Bonds	565,521	562,852
Financial Assets- collective investments schemes	189,570	132,965
Deposits (including cash and cash equivalents)	102,011	154,944
Loans and mortgages	273	273
Reinsurance recoverables	126,458	138,785
Receivables (trade, not insurance)	3,924	3,924
Any other assets, not elsewhere shown	10,346	52,302
Total assets	**1,322,856**	**1,447,419**

	31 Solvency II value December 2022 €000s	IFRS 31 December 2022 €000s
Technical provisions- non- life	766,242	932,677
Provisions other than technical provisions	10,927	11,615
Deferred tax liabilities	8,957	-
Payables (trade, not insurance)	41,965	40,469
Lease liability	-	4,139
Subordinated liabilities	50,000	49,662
Any other liabilities, not elsewhere shown	-	8,160
Total liabilities	**878,091**	**1,046,722**
Excess of assets over liabilities	**444,765**	**400,697**

D1. Assets

Solvency II Valuation for each material class of asset is listed below. The FBD Holdings plc (Group) financial statements and FBD Insurance plc (Company) financial statements are prepared in line with IFRS. The differences in the Financial Statement valuations to Solvency II are detailed below.

D1.1 Deferred Acquisition Costs (DAC)

The Group and the Company respectively recognise an asset relating to deferred acquisition costs (DAC). DAC is not recognised in the Solvency II framework and is therefore removed under Solvency II.

D1.2 Intangible Assets

Intangible assets are valued at cost less accumulated amortisation and less any accumulated impairment losses. Intangible assets comprise computer software and these assets are amortised over expected useful lives on a straight line basis over a five year period. Intangible assets are not recognised in the Solvency II framework and are therefore removed under Solvency II.

D1.3 Deferred Tax Asset

The Group has recognised a deferred tax asset under Solvency II and IFRS. Under IFRS deferred tax assets and liabilities are shown on a net basis, however under Solvency II deferred tax assets and liabilities are shown separately.

D1.4 Pension Benefit Surplus

The pension surplus is not recognised in the Solvency II framework and is therefore removed.

D1.5 Property, Plant and Equipment

D1.5.1 Property

In the Group, Property (other than for own use) comprises of an investment property held for rental in Ireland. In the Company there are additional properties occupied by Group companies recognised as Property (other than for own use).

Properties were valued at fair value at 31 December 2022 by independent external professional surveyors, CB Richard Ellis, Valuation Surveyors. The valuation was prepared in accordance with RICS Valuation – Global Standards 2017 (Red Book) incorporating the IVSC International Valuation Standards issued June 2017. The valuers confirm that they have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the valuations competently.

The valuation statement received from the external professional valuers state that the valuations have been prepared on the basis of "Market Value" which they define as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

D1.5.2 Plant and Equipment

Plant and equipment is stated in the IFRS financial statements at cost less accumulated depreciation and accumulated revaluation profits/ (losses). Plant and equipment is stated at fair value under Solvency II as assessed by the Board on an annual basis. FBD Holdings plc has higher Property, plant and equipment held for own use than the Company as it includes the properties occupied by the Group companies.

Depreciation is provided in respect of all plant and equipment and is calculated to write off the cost or valuation of the assets over their expected useful lives. The useful life of plant and equipment is estimated to be three to ten years dependent on the asset. Depreciation on assets in development commences when the assets are ready for their intended use.

D.1.5.3 Policy Administration System

Under IFRS the Policy Administration System is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided in respect of the Policy Administration System and is calculated in order to write off the cost of the asset over its expected useful life on a straight line basis over a five to ten year period. The Policy Administration System is reported under Solvency II at €4.3m with no value given to the database, middleware and policy administration application for Solvency II purposes.

D1.6 Right of Use Assets

On adoption of IFRS 16, the Group recognised a lease liability and a right of use asset for each of the leases which had previously been classified as 'operating leases' under the principles of IAS17 Leases. The right of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the IFRS Statement of Financial Position as at 31 December 2022. There were no onerous lease contracts that would have required an adjustment to the right of use assets at the date of initial application. The right of use assets and lease liability are not recognised in the Solvency II framework and are therefore removed under Solvency II.

D1.7 Financial Assets

Financial assets are quoted investments in active markets which are stated at fair value. They are recognised on a trade date basis at fair value and are revalued at subsequent reporting dates at fair value, using the closing bid price.

The Group assumes that the quoted closing bid price for these assets is the price that would be achievable had the assets been sold at the time of valuation.

The total value of the financial assets in the financial statements is the same as the Solvency II valuation, however there are some classification differences in the reporting of the assets. Certain corporate bonds in the financial statements are classified as government bonds for Solvency II.

Accrued income on bonds is reflected on the bond line for Solvency II but is shown in other assets in the financial statements.

D1.8 Deposits, Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and money market funds with maturities of 3 months or less held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Deposits with banks and cash and cash equivalents are valued at amortised cost. The money market funds are valued at fair value through profit and loss. The Directors believe that this represents fair value and that the above values are the recoverable amounts. Accrued interest on deposits and accrued interest on cash and cash equivalents are reflected in the deposits and cash and cash equivalent lines for Solvency II but are shown in other assets in the Group and Company financial statements.

D1.9 Trade receivables

Trade receivables are valued at amortised cost using the effective interest rate method. The Directors believe that this represents fair value and that the above values are the recoverable amounts. There is no difference between the IFRS valuation and the Solvency II valuation.

D1.10 Any Other Assets, not elsewhere shown

As described in above sections, accrued income and accrued interest are included in Any Other Assets for IFRS but for the Solvency II valuation accrued income and accrued interest are reflected in the Bond lines and Cash/ Deposit lines respectively. Under Solvency II 'Any other assets, not elsewhere shown' also includes the Group's policyholder and intermediary debtors adjusted to remove direct debit premium receivable but not yet due. This is consistent with the valuation principles for Technical Provisions under Solvency II which require that such balances are deducted from Technical Provisions.

D1.11 Reinsurance recoverables

Reinsurance recoverables are stated at a discounted best estimate value in line with Solvency II rules. Reinsurance recoverables are not discounted for the IFRS valuation.

D2. Technical provisions

D2.1 Technical Provision by Material Line of Business

The table below shows the Technical Provisions as at 31 December 2022 by line of business. FBD Holdings plc and FBD Insurance plc (both prepared under IFRS) have the same Technical Provisions listed below.

Technical Provisions 2022	Motor vehicle liability insurance €000s	Other motor insurance €000s	Fire and other damage to property insurance €000s	General liability insurance €000s	Other insurance €000s	Total €000s
Gross Best Estimate Liab.	290,812	22,983	171,433	244,632	7,190	737,050
Risk Margin	10,331	2,070	4,631	11,709	452	29,192
Gross Technical Provisions	**301,143**	**25,052**	**176,064**	**256,341**	**7,642**	**766,242**
Recoverables	(44,311)	-	(75,693)	(7,049)	596	(126,458)
Net Technical Provisions	**256,832**	**25,052**	**100,371**	**249,291**	**8,237**	**639,783**

Technical Provisions 2021	Motor vehicle liability insurance €000s	Other motor insurance €000s	Fire and other damage to property insurance €000s	General liability insurance €000s	Other insurance €000s	Total €000s
Gross Best Estimate Liab.	326,035	16,498	201,984	284,303	7,035	835,856
Risk Margin	13,438	2,163	4,080	15,203	460	35,345
Gross Technical Provisions	**339,473**	**18,661**	**206,064**	**299,506**	**7,496**	**871,201**
Recoverables	(47,754)	-	(140,433)	(9,934)	(18)	(198,139)
Net Technical Provisions	**291,719**	**18,661**	**65,632**	**289,572**	**7,478**	**673,062**

D2.2 Methodology

The Company values Technical Provisions using the methodology prescribed by the Solvency II Directive and the regulations made under the Directive.

The Company uses homogeneous risk groups in the calculation of Technical Provisions. The groupings are based on type of business giving rise to the claim (Line of Business) and the size of the claim. When determining groupings, the credibility of data is balanced against homogeneity. The modelling approach for each group is similar, though assumptions may vary.

Claims provisions represent the estimation of the cost of claims outstanding under insurance contracts written. Actuarial techniques such as Chain Ladder Methods, Frequency Severity Methods, Cashflow projections and loss ratio methods which form part of a statistical analysis of past experience, are used to calculate the estimated cost of claims outstanding at year end. The key uncertainties which have been addressed within the methodologies above or adjustments to these methods are Inflation, personal Injury guidelines and the ongoing effect Covid-19 as on historic development patterns.

The Judgement from the Commercial Court issued on 5 February 2021 confirmed that FBD is liable to cover Business Interruption claims as a consequence of the Covid-19 pandemic for publican customers. Throughout 2021 and 2022, there has been various judgments relating to different aspects of the ongoing test-case and there continues to be uncertainties present in the calculation of the Best Estimate of ultimate losses at year-end 2022. During 2022, FBD settled with two of the four publicans in the test case. A reasoned ruling is due in the second quarter of 2023 from the Judge which is anticipated will provide certainty in respect of outstanding issues and assist in reaching agreement with the remaining two publicans. Should the ruling provide this clarity, this will enable payment of the balance of the claims due to publicans in 2023.

FBD has now received information from almost 700 public house policyholders in order to assess the claims and has been making interim payments based on these assessments. The recent data has provided more certainty in respect to a number of assumptions underlying the best estimate of the Business Interruption losses and will improve as the particulars of more claims are received. Individual calculations were carried out for each pub based on aggregate assumptions arising from the assessment of the claims data received.

The calculation of the reinsurance asset for Business Interruption has been based on the agreements made with reinsurers for the expected impacted layers of the catastrophe programme.

Ultimate gross claims for earned premium are converted to net of reinsurance utilising reinsurance treaty information. At the valuation date 31 December 2022, the Company had both incepted unearned business and business that was bound but not incepted. The ultimate gross claims, expenses and reinsurance recoveries for the unearned business are taken from the Company's premium reserve model. This is a deterministic model that calculates ultimate loss and expense ratios on a gross and net basis.

Reserves are added to liabilities in respect of earned and unearned business to account for events that may occur but have not been seen historically. A binary modelling approach using frequency and severity expectations around each event is used to determine reserves.

Best estimate of the claims, premiums and expense cash flows are discounted to give best estimate liabilities. A risk margin is added to best estimate liabilities to arrive at Technical Provisions.

D2.3 Key Areas of Uncertainty

D2.3.1 Estimation of Outstanding Loss Reserves ("OSLR")

While information about claims is generally available, assessing the cost of settling the claim is subject to some uncertainty.

The calculations are particularly sensitive to the estimation of the ultimate cost of claims for the particular classes of business and the estimation of future claims handling costs. Actual claims experience may differ from the assumptions on which the actuarial best estimate is based and the cost of settling individual claims may exceed that assumed.

The actual amount recovered from reinsurers is sensitive to the same uncertainties as the underlying large claims. To the extent that the underlying claim settles at a lower or higher amount than that assumed this will have a direct influence on the associated reinsurance asset.

The uncertainty in respect of the reinsurance asset for Business Interruption has reduced considerably as the application of the reinsurance contract has been agreed with reinsurers for the expected impacted layers of the catastrophe programme.

D2.3.2 Estimation of Losses Relating to Claims

Estimation of the losses relating to claims which have been incurred but not reported ("IBNR") is generally subject to a greater degree of uncertainty than estimating the OSLR since the nature of the claims is not known at the time of reserving.

D2.3.3 Unexpired Risks

Estimation of claims arising on business which has not yet expired ("unexpired risks") is uncertain as the claims have not yet been incurred, but are expected to be incurred on the business which the Company has written.

D2.3.4 Market Environment

Changes in the market environment increase the inherent uncertainty affecting the business. In particular, claims inflation, the Personal Injury Guidelines, Covid-19, discount rate changes, Periodic Payment Orders (PPO) legislation and the Consumer Insurance Contracts Act have impacted the market environment in recent years or may impact the market environment in the coming years.

D2.3.5 Events not in Data ('ENID loading')

Estimating a provision for events not in data is subject to considerable uncertainty as the events being considered have not been observed.

D2.3.6 Run-off Expenses

The estimation of the change in expense base for run-off of the Company is inherently uncertain due to the estimations around the period of the run-off, base costs and inflation.

D2.3.7 Risk Margin

The Risk Margin, being the margin payable to transfer the business to another insurance carrier, is uncertain due to the requirement to forecast future solvency capital requirements over the period of a run-off. This therefore shares the same uncertainties of the run-off expenses provision considered at D.2.3.6, as well as the inherent uncertainties around forecasting future solvency capital requirements.

D2.4 Risk Management

The Group manages the risks around these uncertainties via the following actions:

- On-going monitoring of claims, including regular reviews of claims handling functions;
- Maintaining a number of reinsurance arrangements to limit the impact of adverse claims development;
- Internal controls through the Reserving Committee and Actuarial Function which monitor claims development and reinsurance arrangements; and
- Regular external actuarial reviews.

D2.5 Transition from IFRS to Solvency II

The changes required to transition from IFRS accounts to Technical Provisions for solvency purposes are consistent for all lines of business, and are noted below.

D2.5.1 Claims Provisions

The Company has made no adjustments to the projected claims provisions used in its IFRS accounts in recording the claims provisions for solvency purposes. Gross claims provisions as at 31 December 2022 are €652.2m.

D2.5.2 Reinsurance Share of Claims Provisions

The Company has made no adjustments other than Reinstatement premia to the reinsurance recoveries in its IFRS accounts in recording the reinsurance share of claims provisions for solvency purposes. The reinsurance share of claims provisions as at 31 December 2022 is €130.9m.

D2.5.3 Unexpired Risks

The Group has estimated the claims which will be payable on unexpired risks, termed "premium provisions", based on the ultimate loss and expense ratios from the claims provisions and premium rate adjustments related to the unearned book of business. Gross premium provisions as at 31 December 2022 are €84.9m.

D2.5.4 Risk Margin

The Risk Margin has been considered to ensure that the value of the Technical Provisions is equivalent to the amount that would be expected to have to be paid to a third party insurance company in order to take over and meet the insurance obligations of the Company. The Risk Margin has been calculated based on the estimated capital requirements to run-off the Company's obligations, and applying a cost of capital of 6%.

The Risk Margin is calculated using a simplified method allowed under Article 58 of Commission Delegated Regulation 2015/35. The capital required to run-off the portfolio is based on the future estimated SCRs, taking account of underwriting risk, reinsurance counterparty risk and operational risk. The Company approximates the whole SCR for each future year by using a ratio of the best estimate liabilities at each future year to the best estimate liabilities at the valuation date. This results in a Risk Margin of €29.2m.

D2.5.5 Other

The Company has made adjustments for events not in data, reinsurance amounts recoverable on unexpired risks, policyholder receivables/payables, reinsurance receivables/payables, counterparty default, expenses that will be incurred in servicing insurance obligations, and discounting.

D2.6 Adjustments not Applied

The Company has not applied the matching adjustment, volatility adjustment, transitional risk-free interest term structure or the transitional deduction in calculating its Technical Provisions.

D2.7 Changes in Assumptions

The ultimate cost of claims continues to be adjusted for the impacts of COVID-19, inflation and Personal Injury Guidelines. The assumptions for each of these external factors was revised at year-end 2022.

D2.8 Special Purpose Vehicles

The Company does not have any Special Purpose Vehicles.

D3. Other liabilities

D3.1 Provision Other than Technical Provisions

Provisions other than Technical Provisions include a provision for Motor Insurers' Bureau of Ireland ("MIBI"), Motor Insurers' Insolvency Compensation Fund ("MIICF"), Premium Rebates and Consequential Payments. The provisions are included under IFRS at fair value and are not discounted. The MIBI provision is discounted for the Solvency II valuation.

D3.2 Deferred Tax Liabilities

The Group and the Company have recognised a deferred tax liability under Solvency II. Under IFRS deferred tax assets and liabilities are shown a net basis however they are shown separately under Solvency II. The deferred tax liability under Solvency II is a result of the revaluation of the Technical Provisions.

D3.3 Reinsurance Payables

Reinsurance payables (excluding Reinstatement premia) not past due are included in any other liabilities. In 2022 these were reclassified to any other assets due to revaluations of the Technical Provisions. Reinsurance payables are calculated in accordance with reinsurance agreements. Reinstatement premia is included in the Technical Provisions under Solvency II.

D3.4 Payables (trade, not insurance); Debts Owed to Credit Institutions

Payables (trade, not insurance) and debts owed to credit institutions as they are held at fair value under IFRS and Solvency II. The difference between the two is due to outstanding payments being included in Cash and Cash Equivalents under IFRS but in payables under Solvency II.

D3.5 Lease Liability

On adoption of IFRS 16, the Group recognised a lease liability and a right of use asset for each of the leases which had previously been classified as 'operating leases' under the principles of IAS17 Leases. The right of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the IFRS Statement of Financial Position as at 31 December 2022. There were no onerous lease contracts that would have required an adjustment to the right of use assets at the date of initial application. The right of use assets and lease liability are not recognised in the Solvency II framework and is therefore removed under Solvency II.

D3.6 Subordinated Liabilities

The amount relates to €50,000,000 Callable Dated Deferrable Subordinated Notes due 2028. The coupon rate on the notes is 5%. Finance costs recognised in the Consolidated Income Statement total €2,559,000 in 2022 (2021: €2,545,000). Finance costs are made up of interest costs associated with the subordinated notes totalling €2,500,000 (2021: €2,500,000) which were incurred and recognised in the year, amortisation in the year of €59,000 (2021: €59,000) and adjusted for accrued amounts at each year end, €nil in 2022 (2021: -€14,000).

	2022 €000s	**2021 €000s**
Balance at 1 January	**49,603**	49,544
Amortised during the year	**59**	59
Balance at 31 December	**49,662**	49,603

All figures stated in the table above are IFRS values.

D3.7 Reconciliation of Total Liabilities to Solvency II Balance Sheet

The following are the material movements for the Group;

- Technical Provisions, Deferred tax liabilities and Subordinated Liabilities are revalued for the Solvency II valuation as explained above.
- Provisions other than Technical Provisions include a Solvency II reclassification and are also subject to discounting for the Solvency II valuation.

The following are the material movements for FBD Insurance plc;

- Technical Provisions, Deferred tax liabilities and Subordinated Liabilities are revalued for the Solvency II valuation as explained above.
- Provisions other than Technical Provisions include a Solvency II reclassification and are also subject to discounting for the Solvency II valuation.

D4. Alternative methods for valuation

The Group does not use any alternative valuation methods.

D5. Any other information

No other material information to be disclosed.

E. Capital Management

E1. Own funds

E1.1 Objectives, Policies and Processes for Managing Own Funds

The solvency objective is to ensure that the Group has and will have in the future sufficient capital to pay its policyholders and all other creditors in full as these liabilities fall due. This means the Group must hold an appropriate amount and quality of capital to meet regulatory requirements as well as a buffer relevant to the specific capital needs given its risk profile, financial condition, business model and strategies, overall complexity, sensitivity to changing conditions and other factors that may arise from time to time. The Group believes that maintaining a strong capital position is imperative to being able to continue to operate through periods of severe stress.

FBD measures and calculates capital using the Standard Formula. The Solvency Capital Requirement (SCR) measures the amount of capital which is required to be held to cover a 1/200 year event over a 1 year horizon and reflects the risk profile of the Group. The MCR, lower than the SCR, is the minimum level of regulatory capital required.

The ORSA considers the key risks associated with managing own funds. It reviews the Group's Capital Risk Appetite. The Risk Appetite sets a desired level of own funds that ensures a level of SCR coverage where the likelihood of a Regulatory breach is low. The ORSA also includes SCR projections that assist in managing own funds over the business planning period.

The Medium-Term Capital Management Plan is updated at least annually in accordance with the most up to date SCR calculations and capital position is monitored on an on-going basis with regard to performance and emerging trends. Any issues arising are highlighted to the Executive Management Team (EMT) and the Board as appropriate. As part of the overall strategy the Group prepares financial forecasts over the business planning period. These financial forecasts include projected Solvency Capital Ratios and are presented to both the EMT and the Board.

The Group has a Recovery Plan. The Recovery Plan details a list of feasible recovery options that could be used to increase own funds after a stress event. The Recovery Plan also includes a set of Recovery Indicators that are designed to identify emerging stresses so that management actions can be taken early reducing any impact on own funds.

E1.2 Information on the Structure, Amount and Quality of Own Funds

FBD Holdings plc	Tier 1 €000s	Tier 2 €000s	Tier 3 €000s	Total €000s
1 January 2022	439,296	52,923	-	492,219
Movement during year	(13,159)	-	2,135	(11,024)
31 December 2022	426,137	52,923	2,135	481,195[1]
Eligible amount to cover the SCR	426,137	52,923	2,135	481,195
Eligible amount to cover MCR	426,137	17,769	-	443,906
1 January 2021	393,018	52,923	-	445,941
Movement during year	46,278	-	-	46,278
31 December 2021	439,296	52,923	-	492,219[2]
Eligible amount to cover the SCR	439,296	52,923	-	492,219
Eligible amount to cover MCR	439,296	18,134	-	457,430

[1] *Own funds available to cover SCR have been reduced by the foreseeable dividends of €35.9m.*

[2] *Own funds available to cover SCR have been reduced by the foreseeable dividends of €35.6m.*

FBD Insurance plc	Tier 1 €000s	Tier 2 €000s	Tier 3 €000s	Total €000s
1 January 2022	422,718	50,635	-	473,353
Movement during year	(15,998)	-	1,688	(14,310)
31 December 2022	406,720	50,635	1,688	459,043[1]
Eligible amount to cover the SCR	406,720	50,635	1,688	459,043
Eligible amount to cover MCR	406,720	17,769	-	424,489
1 January 2021	380,261	50,635	-	430,896
Movement during year	42,457	-	-	42,457
31 December 2021	422,718	50,635	-	473,353[2]
Eligible amount to cover the SCR	422,718	50,635	-	473,353
Eligible amount to cover MCR	422,718	18,134	-	440,851

[1] *Own funds available to cover SCR have been reduced by the foreseeable dividends of €35.7m.*

[2] *Own funds available to cover SCR have been reduced by the foreseeable dividends of €35.7m.*

E.1.2.1 Ordinary Share Capital

FBD Holdings plc has fully paid up ordinary share capital of €21.6m (2021: €21.4m). FBD Insurance plc has fully paid up ordinary share capital of €74.2m (2021: €74.2m). This is available to fully absorb losses, and in the case of winding up, ranks behind all other obligations. This share capital satisfies all the requirements of Tier 1 own funds as set out in article 71 of the Commission Delegated Regulations (EU) 2015.

E.1.2.2 Reconciliation Reserve

The reconciliation reserve is equal to the total excess assets over liabilities reduced by the other basic own fund items. The reconciliation reserve is fully available to absorb losses.

FBD Holdings plc	2022 €000s	2021 €000s
Excess of assets over liabilities	**467,065**	477,798
Foreseeable dividends, distributions and charges	**(35,869)**	(35,579)
Other basic own fund items	**(26,641)**	(24,332)
Reconciliation reserve	**404,554**	417,887

FBD Insurance plc	2022 €000s	2021 €'000s
Excess of assets over liabilities	**444,765**	459,074
Foreseeable dividends, distributions and charges	**(35,722)**	(35,722)
Other basic own fund items	**(76,509)**	(74,821)
Reconciliation reserve	**332,534**	348,531

E1.2.3 Preference Share Capital

FBD Holdings plc has fully paid up preference share capital of €2.9m (2021: €2.9m). FBD Insurance plc has fully paid up preference share capital of €0.6m (2021: €0.6m). It is available to fully absorb losses, and in the case of winding up, ranks behind all other obligations with the exception of ordinary share capital. It satisfies all the requirements of Tier 2 own funds as set out in article 73 of the Commission Delegated Regulations (EU) 2015. It does not fully meet the requirements to be classified as Tier 1 capital, as they do not comply with article 71, part 4(d), whereby there is an obligation to make a distribution on the preference share capital if a distribution has been made on the ordinary share capital of the Group.

E1.2.4 Subordinated Liabilities

Included within Tier 2 of both FBD Holdings plc and FBD Insurance plc €50,000,000 of Callable Dated Deferrable Subordinate Notes due 2028. The agreed coupon for the notes is 5%. This subordinated bond satisfies all the requirements of Tier 2 own funds as set out in article 73 of the Commission Delegated Regulations (EU) 2015.

E1.2.5 Ancillary Own Funds

The Group has no ancillary own funds.

E1.2.6 Analysis of Material Changes in Each Tier

FBD Holdings plc reflects a €11m decrease in the 2022 Tier 1 Own Funds. The decrease is due to a decrease in the Reconciliation Reserve primarily driven by the decrease in Operating Profit in 2022 and the proposed dividends of €36m.

FBD Insurance plc reflects a €14m decrease in the 2022 Tier 1 Own Funds. The decrease is due to a decrease in the Reconciliation Reserve primarily driven by the decrease in Operating Profit in 2022 and the proposed dividends of €36m.

There is no change in the Tier 2 Own Funds for both FBD Holdings plc and FBD Insurance plc.

FBD Holdings plc reflects a €2.1m increase in the 2022 Tier 3 Own Funds. The increase is due to a net deferred tax asset being recognised in 2022.

FBD Insurance plc reflects a €1.7m increase in the 2022 Tier 3 Own Funds. The increase is due to a net deferred tax asset being recognised in 2022.

E1.2.7 Difference between Equity Shown in the Financial Statements and the Solvency II Value of Excess Assets over Liabilities

FBD Holdings plc	**2022 €000s**	**2021 €000s**
Equity Per financial statements		
Ordinary share capital	**21,583**	21,409
Retained Earnings	**401,205**	450,973
Preference Share Capital	**2,923**	2,923
Financial Liabilities at amortised Cost	**49,662**	49,603
Total Equity (including Tier II debt)	**475,373**	524,908
Adjustments for Solvency II		
Difference in technical provisions net of reinsurance	**83,144**	49,303
Deferred acquisitions costs not recognised	**(38,520)**	(35,458)
Pension benefit surplus not recognised	**(8,499)**	(10,901)
Deferred tax	**(5,956)**	(413)
Provisions other than technical provisions	**11,522**	359
Solvency II value of excess assets over liabilities (Including Tier II Debt)	**517,064**	527,798

FBD Insurance plc	2022 €000s	2021 €000s
Equity Per financial statements		
Ordinary share capital	**74,187**	74,187
Retained Earnings	**325,875**	378,251
Preference Share Capital	**635**	635
Financial Liabilities at amortised Cost	**49,662**	49,603
Total Equity (including Tier II debt)	**450,359**	502,676
Adjustments for Solvency II		
Difference in technical provisions net of reinsurance	**83,144**	49,303
Deferred acquisitions costs not recognised	**(38,520)**	(35,458)
Pension benefit surplus not recognised	**(5,365)**	(6,863)
Deferred tax	**(6,344)**	(914)
Provisions other than technical provisions	**11,490**	330
Solvency II value of excess assets over liabilities (Including Tier II Debt)	**494,764**	509,074

E1.2.8 Transitional Arrangements

There are no own funds items subject to transitional arrangements.

E2. Solvency Capital Requirement and Minimum Capital Requirements

E2.1 Solvency Capital Requirement (SCR) Net

The Group solvency ratio stood at 226% (FBD Insurance plc ratio 219%) as at 31 December 2022 and is based on the Standard Formula.

The Directive prescribes two methods for the calculation of the Group solvency:

- Method 1 – standard method based on the consolidation of financial statements
- Method 2 – alternative method based on deduction and aggregation

FBD Holdings plc applies method 1 for the determination of the Group solvency.

The table below shows the inputs into the Solvency Capital Requirement (SCR) calculation as at 31 December 2022.

Solvency Capital Requirement **FBD Holdings plc**	**2022 Net SCR €000s**	**2021 Net SCR €000s**
Non-Life Underwriting Risk	172,345	181,229
Health Underwriting Risk	3,349	2,915
Market Risk	88,392	93,951
Counterparty Default Risk	8,948	15,365
Undiversified BSCR	273,033	293,460
Diversification Credit	(55,491)	(60,878)
Basic SCR	217,542	232,582
Operational Risk	22,111	25,076
Loss absorbing capacity of technical provisions and deferred tax	(26,870)	(26,886)
Solvency Capital Requirement	**212,783**	**230,772**

Solvency Capital Requirement **FBD Insurance plc**	**2022 Net SCR €000s**	**2021 Net SCR €000s**
Non-Life Underwriting Risk	172,345	181,229
Health Underwriting Risk	3,349	2,915
Market Risk	85,452	90,322
Counterparty Default Risk	6,933	13,959
Undiversified BSCR	268,079	288,425
Diversification Credit	(53,431)	(58,856)
Basic SCR	214,647	229,569
Operational Risk	22,111	25,076
Loss absorbing capacity of technical provisions and deferred tax	(26,870)	(26,886)
Solvency Capital Requirement	**209,888**	**227,759**

E2.2 Minimum Capital Requirement

The table below shows the inputs into the Minimum Capital Requirement (MCR) calculation as at 31 December 2022.

Minimum Capital Requirement **FBD Holdings plc**	**2022 €000s**	**2021 €000s**
Linear MCR	88,847	90,669
SCR	212,783	230,772
Combined MCR	88,847	90,669
Minimum Capital Requirement	**88,847**	**90,669**

Minimum Capital Requirement **FBD Insurance plc**	**2022 €000s**	**2021 €000s**
Linear MCR	88,847	90,669
SCR	209,888	227,759
Combined MCR	88,847	90,669
Minimum Capital Requirement	**88,847**	**90,669**

E2.3 Simplified Calculations

The Group does not use simplified calculations for risk modules and sub-modules of the Standard Formula.

E2.4 Compliance with the MCR and the SCR

The solvency position is monitored on a regular basis to ensure compliance. The Group was compliant with both the MCR and SCR throughout 2022.

E2.5 Material Changes in MCR & SCR During the Year

The MCR has decreased in the year from €91m to €89m for both FBD Insurance plc and for FBD Holdings plc. The primary reason for this movement is that the claims provision has reduced over the year. The MCR calculation is heavily based on the volume of the claims provision.

The SCR has decreased in the year from €228m to €210m for FBD Insurance plc and from €231m to €213m for FBD Holdings plc. As noted above the claims provision has reduced which has lowered the non-life underwriting risk charge within the overall SCR calculation. There has also been a reduction in market and counterparty default risk charges over the same period resulting in an overall decrease in the SCR of about €18m.

E3. Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Group does not use the duration-based equity sub-module in the calculation of the Solvency Capital Requirement.

E4. Differences between the standard formula and any internal model used

The Group does not use an internal model to calculate the SCR.

E5. Non-compliance with the Minimum Capital Requirements and non-compliance with the Solvency Capital Requirements

There is no foreseeable risk of non-compliance with the SCR and the MCR. The ORSA document includes a number of stress and scenario tests. None of the stressed positions breached the SCR or the MCR.

E6. Any other information

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out Section A as is the financial position of the Group. In addition, Section B3 and Section C include the Group's policies and processes for risk management.

The Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future being a period of at least twelve months from the date of this report.

In making this assessment the Directors considered the Group's Budget for 2023 and forecast for 2024, which take into account foreseeable changes in the trading performance of the business, key risks facing the business and the medium term plans approved by the Board. In addition the ORSA process monitors current and future solvency needs. The scenarios were projected as part of the ORSA process as well as a number of more extreme stress events. In all scenarios the Group's capital ratio remained in excess of the Solvency Capital Requirement.

On the basis of the scenarios projected by the Group and the additional ORSA scenarios carried out, the Directors are satisfied that there are no material uncertainties which cast significant doubt on the ability of the Group or Company to continue as a going concern over the period of assessment being not less than 12 months from the date of this report. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

F. Appendices

FBD Holdings plc Quantitative Reporting Templates

S.02.01.02 – Balance Sheet

S.05.01.02 – Premiums, claims and expenses by line of business

S.05.02.01 – Premiums, claims and expenses by country

S.23.01.22 – Own Funds

S.25.01.22 – Solvency Capital Requirement – for Groups on Standard Formula

S.32.01.22 – Undertakings in the scope of the Group

FBD Insurance plc Quantitative Reporting Templates

S.02.01.02 – Balance Sheet

S.05.01.02 – Premiums, claims and expenses by line of business

S.05.02.01 – Premiums, claims and expenses by country

S.17.01.02 – Non-Life Technical Provisions

S.19.01.21 – Non-Life Insurance Claims

S.23.01.01 – Own Funds

S.25.01.21 – Solvency Capital Requirement – for Undertakings on Standard Formula

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

FBD HOLDINGS PLC

General Information

Participating undertaking name	FBD Holdings Plc
Group identification code	635400HNBZBITDHQJG48
Type of code of group	LEI
Country of the group supervisor	IE
Language of reporting	en
Reporting reference date	31 December 2022
Currency used for reporting	EUR
Accounting standards	IFRS
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business

S.05.02.01 - Premiums, claims and expenses by country

S.23.01.22 - Own Funds

S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula

S.32.01.22 - Undertakings in the scope of the group

FBD HOLDINGS PLC

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	10,914
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	27,009
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	1,127,348
R0080	*Property (other than for own use)*	15,052
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	1,130
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	1,130
R0130	*Bonds*	838,544
R0140	*Government Bonds*	273,024
R0150	*Corporate Bonds*	565,520
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	189,570
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	83,053
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	580
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	580
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	126,458
R0280	*Non-life and health similar to non-life*	126,458
R0290	*Non-life excluding health*	127,074
R0300	*Health similar to non-life*	-616
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	
R0330	*Life excluding health and index-linked and unit-linked*	
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	6,006
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	36,706
R0420	Any other assets, not elsewhere shown	10,348
R0500	**Total assets**	1,345,371

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	766,242
R0520	*Technical provisions - non-life (excluding health)*	758,626
R0530	*TP calculated as a whole*	
R0540	*Best Estimate*	729,885
R0550	*Risk margin*	28,742
R0560	*Technical provisions - health (similar to non-life)*	7,615
R0570	*TP calculated as a whole*	
R0580	*Best Estimate*	7,165
R0590	*Risk margin*	450
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	
R0680	*Risk margin*	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	10,927
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	8,779
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	42,359
R0850	Subordinated liabilities	50,000
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	50,000
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	878,306
R1000	**Excess of assets over liabilities**	467,065

FBD HOLDINGS PLC

S.05.01.02

Premiums, claims and expenses by line of business

	Non-life	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)						Total
		Income protection insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	
		C0020	C0040	C0050	C0060	C0070	C0080	C0200
	Premiums written							
R0110	Gross - Direct Business	5,472	121,377	60,741	19	119,680	75,601	382,889
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	424	15,869	1,448	0	16,464	5,811	40,016
R0200	Net	5,047	105,507	59,293	19	103,216	69,790	342,873
	Premiums earned							
R0210	Gross - Direct Business	5,354	120,889	60,532	19	114,237	74,613	375,644
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	424	15,760	1,448	0	16,347	5,811	39,790
R0300	Net	4,930	105,129	59,084	19	97,890	68,802	335,854
	Claims incurred							
R0310	Gross - Direct Business	4,141	31,241	36,266	-31	44,849	20,296	136,763
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	-105	-2,649	0	0	483	-852	-3,124
R0400	Net	4,246	33,891	36,266	-31	44,366	21,149	139,887
	Changes in other technical provisions							
R0410	Gross - Direct Business							0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	1,562	42,042	12,909	6	33,648	21,552	111,719
R1200	**Other expenses**							
R1300	**Total expenses**							111,719

FBD HOLDINGS PLC

S.05.02.01

Premiums, claims and expenses by country

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	**Top 5 countries (by amount of gross premiums written) - non-life obligations**			**Top 5 countries (by amount of gross premiums written) - non-life obligations**		**Total Top 5 and home country**
R0010	**Non-life**							
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	382,889						382,889
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	40,016						40,016
R0200	Net	342,873						342,873
	Premiums earned							
R0210	Gross - Direct Business	375,644						375,644
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	39,790						39,790
R0300	Net	335,854						335,854
	Claims incurred							
R0310	Gross - Direct Business	136,763						136,763
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	-3,124						-3,124
R0400	Net	139,887						139,887
	Changes in other technical provisions							
R0410	Gross - Direct Business							0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0						0
R0550	**Expenses incurred**	111,719						111,719
R1200	**Other expenses**							
R1300	**Total expenses**							111,719

FBD HOLDINGS PLC

S.23.01.22

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					
R0010	Ordinary share capital (gross of own shares)	21,582	21,582		0	
R0020	*Non-available called but not paid in ordinary share capital at group level*	0				
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0060	*Non-available subordinated mutual member accounts at group level*	0				
R0070	Surplus funds	0	0			
R0080	*Non-available surplus funds at group level*	0	0			
R0090	Preference shares	2,923		0	2,923	0
R0100	*Non-available preference shares at group level*	0				
R0110	Share premium account related to preference shares	0		0	0	0
R0120	*Non-available share premium account related to preference shares at group level*	0				
R0130	Reconciliation reserve	404,554	404,554			
R0140	Subordinated liabilities	50,000		0	50,000	0
R0150	*Non-available subordinated liabilities at group level*	0				
R0160	An amount equal to the value of net deferred tax assets	2,135				2,135
R0170	*The amount equal to the value of net deferred tax assets not available at the group level*	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	*Non available own funds related to other own funds items approved by supervisory authority*	0				
R0200	Minority interests (if not reported as part of a specific own fund item)	0				
R0210	*Non-available minority interests at group level*	0				

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

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0230	**Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities**	0				
R0240	*whereof deducted according to art 228 of the Directive 2009/138/EC*	0				
R0250	Deductions for participations where there is non-availability of information (Article 229)	0				
R0260	Deduction for participations included by using D&A when a combination of methods is used	0				
R0270	**Total of non-available own fund items**	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	481,195	426,137	0	52,923	2,135
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0380	Non available ancillary own funds at group level	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit Institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0				
R0420	Institutions for occupational retirement provision	0				
R0430	Non regulated entities carrying out financial activities	0				
R0440	**Total own funds of other financial sectors**	0	0	0	0	0

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector					
		C0010	C0020	C0030	C0040	C0050
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0				
R0460	Own funds aggregated when using the D&A and combination of method net of IGT	0				
R0520	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)	481,195	426,137	0	52,923	2,135
R0530	Total available own funds to meet the minimum consolidated group SCR	479,060	426,137	0	52,923	
R0560	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)	481,195	426,137	0	52,923	2,135
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)	443,906	426,137	0	17,769	
R0610	**Minimum consolidated Group SCR**	88,847				
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	499.63%				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	481,195	426,137	0	52,923	2,135
R0680	**Group SCR**	212,783				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	226.14%				

	Reconciliation reserve	C0060
R0700	Excess of assets over liabilities	467,065
R0710	Own shares (held directly and indirectly)	
R0720	Forseeable dividends, distributions and charges	35,869
R0730	Other basic own fund items	26,641
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	
R0750	Other non available own funds	
R0760	**Reconciliation reserve**	404,554
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	15,418
R0790	**Total Expected profits included in future premiums (EPIFP)**	15,418

FBD HOLDINGS PLC

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	88,392		
R0020	Counterparty default risk	8,948		
R0030	Life underwriting risk	0		
R0040	Health underwriting risk	3,349		
R0050	Non-life underwriting risk	172,345		
R0060	Diversification	-55,491		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	217,542		

		C0100
	Calculation of Solvency Capital Requirement	
R0130	Operational risk	22,111
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-26,870
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	212,783
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement for undertakings under consolidated method**	212,783
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
R0470	Minimum consolidated group solvency capital requirement	88,847

USP Key

For life underwriting risk:

1 - Increase in the amount of annuity benefits

9 - None

For health underwriting risk:

1 - Increase in the amount of annuity benefits

2 - Standard deviation for NSLT health premium risk

3 - Standard deviation for NSLT health gross premium risk

4 - Adjustment factor for non-proportional reinsurance

5 - Standard deviation for NSLT health reserve risk

9 - None

For non-life underwriting risk:

4 - Adjustment factor for non-proportional reinsurance

6 - Standard deviation for non-life premium risk

7 - Standard deviation for non-life gross premium risk

8 - Standard deviation for non-life reserve risk

9 - None

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
	Information on other entities			
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0		
R0510	*Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies*	0		
R0520	*Institutions for occupational retirement provisions*	0		
R0530	*Capital requirement for non- regulated entities carrying out financial activities*	0		
R0540	Capital requirement for non-controlled participation requirements	0		
R0550	Capital requirement for residual undertakings	0		
	Overall SCR			
R0560	SCR for undertakings included via D&A	0		
R0570	**Solvency capital requirement**	212,783		

FBD HOLDINGS PLC

S.32.01.22

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
Row	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	IE	635400HQZXKIXB5YCS61	LEI	FBD INSURANCE PLC	Non life insurance undertaking	Incorporated companies limited by shares or by guarantee or unlimited	Non-mutual	THE CENTRAL BANK OF IRELAND
2	IE	140134	Specific code	FBD INSURANCE GROUP	Credit institution, investment firm and financial institution		Non-mutual	THE CENTRAL BANK OF IRELAND
3	IE	155113	Specific code	BIERITZ INNS LIMITED	Other		Non-mutual	
4	IE	51715	Specific code	LEGACY INVESTMENT HOLDINGS LIMITED	Other		Non-mutual	
5	GB	7010V	Specific code	TOPENHALL LIMITED	Other		Non-mutual	
6	IE	635400HNBZBITDHQJG48	LEI	FBD HOLDINGS PLC	Other		Non-mutual	
7	IE	614936	Specific code	FBD CORPORATE SERVICE LIMITED	Other		Non-mutual	
8	IE	510146	Specific code	FBD TRUSTEE COMPANY LTD	Institution for occupational retirement provision		Non-mutual	THE PENSIONS AUTHORITY

FBD HOLDINGS PLC

S.32.01.22

Undertakings in the scope of the group

	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
Row	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
2	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
3	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation
4	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation
5	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation
6	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation
7	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation
8	100.00%	100.00%	100.00%		Dominant	100.00%	Not included in the scope (art. 214 b)		Method 1: Full consolidation

FBD INSURANCE PLC

General Information

Undertaking name	FBD Insurance Plc
Undertaking identification code	635400HQZXKIXB5YCS61
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	IE
Language of reporting	en
Reporting reference date	31 December 2022
Currency used for reporting	EUR
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 - Non-Life Technical Provisions

S.19.01.21 - Non-Life insurance claims

S.23.01.01 - Own Funds

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

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

FBD INSURANCE PLC

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	10,644
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	19,523
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	1,132,729
R0080	*Property (other than for own use)*	20,434
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	1,129
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	1,129
R0130	*Bonds*	838,544
R0140	*Government Bonds*	273,024
R0150	*Corporate Bonds*	565,520
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	189,570
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	83,053
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	273
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	273
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	126,458
R0280	*Non-life and health similar to non-life*	126,458
R0290	*Non-life excluding health*	127,074
R0300	*Health similar to non-life*	-616
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	
R0330	*Life excluding health and index-linked and unit-linked*	
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	3,924
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	18,958
R0420	Any other assets, not elsewhere shown	10,346
R0500	**Total assets**	1,322,856

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	766,242
R0520	*Technical provisions - non-life (excluding health)*	758,626
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	729,885
R0550	*Risk margin*	28,742
R0560	*Technical provisions - health (similar to non-life)*	7,615
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	7,165
R0590	*Risk margin*	450
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	
R0680	*Risk margin*	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	10,927
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	8,957
R0790	Derivatives	
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	41,966
R0850	Subordinated liabilities	50,000
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	50,000
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	878,091
R1000	**Excess of assets over liabilities**	444,765

FBD INSURANCE PLC

S.05.01.02

Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)						Total
	Non-life	Income protection insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	
		C0020	C0040	C0050	C0060	C0070	C0080	C0200
	Premiums written							
R0110	Gross - Direct Business	5,472	121,377	60,741	19	119,680	75,601	382,889
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	424	15,869	1,448	0	16,464	5,811	40,016
R0200	Net	5,047	105,507	59,293	19	103,216	69,790	342,873
	Premiums earned							
R0210	Gross - Direct Business	5,354	120,889	60,532	19	114,237	74,613	375,644
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	424	15,760	1,448	0	16,347	5,811	39,790
R0300	Net	4,930	105,129	59,084	19	97,890	68,802	335,854
	Claims incurred							
R0310	Gross - Direct Business	4,141	31,241	36,266	-31	44,849	20,296	136,763
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	-105	-2,649	0	0	483	-852	-3,124
R0400	Net	4,246	33,891	36,266	-31	44,366	21,149	139,887
	Changes in other technical provisions							
R0410	Gross - Direct Business							0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	1,601	43,140	13,143	6	34,463	22,045	114,399
R1200	**Other expenses**							
R1300	**Total expenses**							114,399

FBD INSURANCE PLC

S.05.02.01

Premiums, claims and expenses by country

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010	**Non-life**							
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	382,889						382,889
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	40,016						40,016
R0200	Net	342,873						342,873
	Premiums earned							
R0210	Gross - Direct Business	375,644						375,644
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	39,790						39,790
R0300	Net	335,854						335,854
	Claims incurred							
R0310	Gross - Direct Business	136,763						136,763
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	-3,124						-3,124
R0400	Net	139,887						139,887
	Changes in other technical provisions							
R0410	Gross - Direct Business							0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0						0
R0550	**Expenses incurred**	114,399						114,399
R1200	**Other expenses**							
R1300	**Total expenses**							114,399

FBD INSURANCE PLC

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance						
		Income protection insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Total Non-Life obligation
		C0030	C0050	C0060	C0070	C0080	C0090	C0180
R0010	**Technical provisions calculated as a whole**	0	0	0	0	0	0	0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole							0
	Technical provisions calculated as a sum of BE and RM							
	Best estimate							
	Premium provisions							
R0060	Gross	1,971	25,788	15,114	-2	28,217	13,777	84,864
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		-1,423			-879	-2,135	-4,437
R0150	**Net Best Estimate of Premium Provisions**	1,971	27,211	15,114	-2	29,096	15,912	89,300
	Claims provisions							
R0160	Gross	5,194	265,025	7,869	27	143,216	230,855	652,186
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-616	45,734		20	76,572	9,184	130,895
R0250	**Net Best Estimate of Claims Provisions**	5,810	219,291	7,869	6	66,644	221,671	521,291
R0260	**Total best estimate - gross**	7,165	290,812	22,983	25	171,433	244,632	737,050
R0270	**Total best estimate - net**	7,781	246,501	22,983	5	95,740	237,583	610,591
R0280	**Risk margin**	450	10,331	2,070	1	4,631	11,709	29,192

		Direct business and accepted proportional reinsurance						
		Income protection insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Total Non-Life obligation
		C0030	C0050	C0060	C0070	C0080	C0090	C0180
	Amount of the transitional on Technical Provisions							
R0290	Technical Provisions calculated as a whole							0
R0300	Best estimate							0
R0310	Risk margin							0
R0320	**Technical provisions - total**	7,615	301,143	25,052	26	176,064	256,341	766,242
R0330	**"Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total"**	-616	44,311	0	20	75,693	7,049	126,458
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**	8,231	256,832	25,052	6	100,371	249,291	639,783

FBD INSURANCE PLC

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020 **Accident year/underwriting year** **Accident Year**

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

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
	Year	**Development year**												**In Current year**	**Sum of years (cumulative)**
		0	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10 & +**			
R0100	Prior											3,239		3,239	3,239
R0160	2013	72,834	44,411	26,479	24,152	20,529	22,266	6,367	6,827	2,025	2,475			2,475	228,366
R0170	2014	108,443	53,116	34,142	35,163	19,641	15,148	6,233	9,705	3,793				3,793	285,384
R0180	2015	71,898	51,885	27,103	19,448	24,658	13,762	6,956	9,897					9,897	225,607
R0190	2016	64,393	34,644	19,270	15,660	11,307	7,304	5,227						5,227	157,805
R0200	2017	59,730	38,037	16,637	10,944	9,888	7,895							7,895	143,130
R0210	2018	67,654	35,742	14,021	10,051	10,305								10,305	137,774
R0220	2019	56,275	24,456	11,651	8,992									8,992	101,374
R0230	2020	67,742	62,775	23,610										23,610	154,127
R0240	2021	65,378	40,900											40,900	106,279
R0250	2022	72,111												72,111	72,111
R0260													**Total**	188,444	1,615,195

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
	Year	Development year												Year end (discounted data)
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											27,881		26,096
R0160	2013	0	0	0	89,535	66,317	32,115	24,192	14,977	11,199	5,776			5,386
R0170	2014	0	0	139,635	96,299	67,427	46,108	38,749	26,900	21,298				19,859
R0180	2015	0	167,912	161,153	132,607	81,860	63,646	53,506	35,650					33,250
R0190	2016	163,399	122,928	90,673	63,039	44,297	35,198	27,848						25,969
R0200	2017	156,049	111,452	79,258	67,573	53,244	37,791							35,275
R0210	2018	164,638	117,130	91,970	73,879	55,602								51,890
R0220	2019	143,809	114,022	74,590	59,711									55,717
R0230	2020	282,268	230,242	182,102										174,847
R0240	2021	152,826	92,274											86,230
R0250	2022	145,661												137,666
R0260													Total	652,186

FBD INSURANCE PLC

S.23.01.01

Own Funds

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	74,187	74,187		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	635		0	635	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	332,534	332,534			
R0140	Subordinated liabilities	50,000		0	50,000	0
R0160	An amount equal to the value of net deferred tax assets	1,688				1,688
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	459,043	406,720	0	50,635	1,688
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	C0010	C0020	C0030	C0040	C0050
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	459,043	406,720	0	50,635	1,688
R0510	Total available own funds to meet the MCR	457,355	406,720	0	50,635	
R0540	Total eligible own funds to meet the SCR	459,043	406,720	0	50,635	1,688
R0550	Total eligible own funds to meet the MCR	424,489	406,720	0	17,769	
R0580	**SCR**	209,888				
R0600	**MCR**	88,847				
R0620	**Ratio of Eligible own funds to SCR**	218.71%				
R0640	**Ratio of Eligible own funds to MCR**	477.78%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	444,765
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	35,722
R0730	Other basic own fund items	76,509
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	
R0760	**Reconciliation reserve**	332,534
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	15,418
R0790	**Total Expected profits included in future premiums (EPIFP)**	15,418

FBD INSURANCE PLC

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	85,452		
R0020	Counterparty default risk	6,933		
R0030	Life underwriting risk	0		
R0040	Health underwriting risk	3,349		
R0050	Non-life underwriting risk	172,345		
R0060	Diversification	-53,431		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	214,647		

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	22,111
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-26,870
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	209,888
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	209,888

	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

		Gross solvency capital requirement	USP	Simplifications
		C0109		
	Approach to tax rate			
R0590	Approach based on average tax rate	0		

		LAC DT
		C0130
	Calculation of loss absorbing capacity of deferred taxes	
R0640	LAC DT	
R0650	LAC DT justified by reversion of deferred tax liabilities	-7,260
R0660	LAC DT justified by reference to probable future taxable economic profit	-19,610
R0670	LAC DT justified by carry back, current year	0
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	-29,957

FBD INSURANCE PLC

S.28.01.01

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

	Linear formula component for non-life insurance and reinsurance obligations	C0010
R0010	MCR_{NL} Result	88,847

		Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	7,781	5,047
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	246,501	105,507
R0060	Other motor insurance and proportional reinsurance	22,983	59,293
R0070	Marine, aviation and transport insurance and proportional reinsurance	5	19
R0080	Fire and other damage to property insurance and proportional reinsurance	95,740	103,216
R0090	General liability insurance and proportional reinsurance	237,583	69,790
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MC_{RL} Result	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations		
R0250	Total capital at risk for all life (re)insurance obligations		

	Overall MCR calculation	C0070
R0300	Linear MCR	88,847
R0310	SCR	209,888
R0320	MCR cap	94,450
R0330	MCR floor	52,472
R0340	Combined MCR	88,847
R0350	Absolute floor of the MCR	2,700
R0400	**Minimum Capital Requirement**	88,847