The Solvency and Financial Condition Report (SFCR)

2024 - Europæiske Rejseforsikring A/S

Public

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Summary

A - Business and Performance	Primary business areas are sale of travel insurance to private customers in the leisure market including BtC, BtBtC; as well as in the corporate market together with health insurance for companies' employees stationed abroad. Main distribution channels are direct business or brokers that focus on the markets in Sweden and Denmark. Main line of business is medical expense insurance and miscellaneous financial loss. ERV Nordic delivered a negative local GAAP underwriting result of DKK 30.3m in 2024. The main reason for the negative result in 2024 is higher administration costs that are due to a strengthening and a restructuring of the organization. Further, investment result was positive based on realized and unrealized gains on our investment portfolio.
B - Governance System	ERV Nordic has an effective System of Governance that is adequate for the nature, scale and complexity of the risks inherent in the business. Written policies are implemented and approved at least on an annual basis that forms the processes of the System of Governance. People who run ERV Nordic or perform other key tasks, including the key functions, have the professional qualifications, knowledge and experience to perform the relevant tasks. Accordingly, outsourcing of operational activities and functions is monitored.
C - Risk Profile	The company is in a position to manage the risks incurred. The material risks are underwriting risk and market risk. For each risk included in the standard formula, there is a quantitative and qualitative assessment. For those risks that are excluded, only a qualitative assessment exist.
D - Valuation for solvency purposes	According to Solvency II rules, total assets at the end of 2024 were DKK 477.6m, compared with DKK 492.9m as calculated according to the accounting standard used for ERV Nordic statutory financial statements (Local GAAP). There was no change during 2024 in the approach of valuing assets and liabilities according to Solvency II and local GAAP valuation principles. A description of the differences between Solvency II valuation methods and assumptions and the statutory accounts basis is provided in the chapter.
E - Capital Management	The company is adequately capitalized and has met the requirements for the provision of solvency capital and minimum capital at all times. The Solvency Capital Requirement (SCR) is DKK 113.7m in 2024 and eligible own funds to cover the SCR is DKK 217.4m. The Minimum Capital Requirement (MCR) is DKK 41.5m and eligible own funds to cover the MCR is DKK 217.4m. The company did not have any basic own-fund items subject to a transitional arrangement in the reporting period.

Introduction

In accordance with the Solvency II regulation, Europæiske Rejseforsikring A/S is presenting the Solvency and Financial Condition Report (SFCR) relating to the financial year of 2024.

The purpose of this report is to provide transparency to customers and other stakeholders regarding business, performance, governance, risk profile and capital requirement.

The SFCR is published for Europæiske Rejseforsikring A/S including Europeiska ERV Filial in Sweden. For clarification and simplicity reasons, we will use the term ERV Nordic when referring to both entities. When only referring to Europæiske Rejseforsikring we will use ERV Denmark and similarly with Europeiska ERV we will use the term ERV Sweden.

The report was reviewed and approved by the Board of Directors on March 21st, 2025.

A. Business and Performance

A.1 Business

Name and legal form

EUROPÆISKE REJSEFORSIKRING A/S, hereafter referred to as "ERV Nordic", is operated in the legal form of a private (unlisted) limited company (aktieselskab) in accordance with the Danish Companies Act (Selskabsloven).

Supervisory authority

The responsible supervisory authority for ERV Nordic is the Danish Financial Supervisory Authority (Finanstilsynet). Finanstilsynet is located at Strandgade 29, 1401 København K.

Group supervisor

The responsible supervisory authority for the group is the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin), Graurheindorfer Str. 108, 53117 Bonn.

External auditor

EY (EY Godkendt Revisionspartnerselskab) was appointed to audit the financial year 2024. Responsible persons for this audit were State Authorised Public Accountants Thomas Hjortkjær Petersen and David Bonde-Jørgensen, EY Denmark, Copenhagen.

Holders of ERV Nordic and legal structure of the group

ERV Nordic is a subsidiary 100% owned by ERGO International AG, which in turn is part of ERGO Group AG (ERGO) and Munich RE Group[1] (Munich RE) - the international reinsurance leader.

[1] The legal name of Munich RE Group is Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft

Table A.1.1 ERV Nordic is associated with the following companies

	Registered office	Activity
Affiliated company:		
-	-	-
Associated company:		
European Assistance Holding	Germany	Assistance

Lines of business
ERV Nordic's material lines of business are the following:

- Medical expense insurance
- Miscellaneous financial loss

Geographical areas
Material geographical areas where ERV Nordic carries out business are Denmark and Sweden.

Significant business or other events occurred during the reporting period
No Significant business or events occurred during the reporting period.

A.2 Underwriting Performance

The local GAAP underwriting result amounted to a loss of DKK 30.3m, which is a worse result compared to the previous year's loss of DKK 5.6m. The main reason for the negative result in 2024 is higher administration costs. These costs are due to a strengthening and a restructuring of the organization as we are preparing to merge with ERGO Forsikring AS in 2025. The additional costs consist of both more staff and one-time costs due to the merger.

Compared to 2023 we had a decrease in Gross Written Premium but likewise a decrease in Claims paid.

A major part of the business for ERV Nordic is medical expense and miscellaneous financial loss insurance written in Denmark and Sweden.

Premium Earned
The local GAAP net premium earned (NPE), including the adjustment of our NHC age reserve, amounts to DKK 317.0m against DKK 332.1m in 2023, a decrease of DKK 15.1m. The decrease is mainly due to less premium in the Swedish card and corporate segment due to the loss of a couple of major clients. The International Health segment has also seen a lower premium due to fewer policies as the portfolio is in run-off. This is partly offset by an increase in the Danish corporate segment coming from higher sales in our Corporate Travel Insurance products.

This development is shown per Solvency II Line of Business (LoB) in the table below. Note that the figures are in accordance with Local GAAP.

Table A.2.1 Net Premium Earned (Local GAAP)

(in DKK million)		2024	2023
1	Medical expense insurance	140,9	146,2
2	Income protection insurance	19,5	19,4
5	Other motor insurance	2,2	1,7
6	Marine, aviation and transport insurance	28,9	28,9
7	Fire and other damage to property insurance	17,0	18,6
8	General liability insurance	1,9	1,7
10	Legal expenses insurance	0,7	0,6
11	Assistance	5,8	5,8
12	Miscellaneous financial loss	100,1	109,2
Total		**317,0**	**332,1**

The biggest part of ERV Nordic's premium in 2024, derives from LoB number 1 "Medical expense insurance", which is similar to last year. LoB 1 has decreased with DKK 5.3m compared to 2023. The decrease is primarily due to less sales in the international health segment and the Swedish corporate segment.

The second largest part of the premium is connected to LoB number 12 "Miscellaneous financial loss". For this LoB, premium has decreased with DKK 9.1m from 2023 to 2024 mainly caused by fewer sales in the Swedish card segment.

The other LoB's have been quite stable in 2024 compared to 2023.

Claims incurred
Local GAAP net claims incurred (incl. claim management costs) amount to DKK 145.0m

against DKK 158.7m in 2023, which is a decrease of DKK 13.7m. The claims ratio net of reinsurance is 45.7% against 47.8% in 2023.

Gross claims incurred amount to DKK 145.6m against DKK 157.5m in 2023, a decrease of DKK 11.9m.

The decrease in claims is caused by less business in the Swedish Card and corporate segments due to the loss of a couple of major clients since last year. We also have less claims in the Danish corporate segment. Additionally, we have had an increase in major claims on our international health segment.

The gross claims ratio decreased to 45.2%, which is approx. 1,3 percentage-points lower than in 2023.

The result of reinsurance recoveries and change of reinsurer's share of claim provisions shows an income for ERV Nordic of DKK 0.6m in 2024 against a cost of DKK 1.2m in 2023.

The development in claims is shown per Solvency II Line of Business in the table below. Note that the figures are in accordance with Local GAAP and exclude, among others, the release of risk margin.

Table A.2.2 Claims Incurred Net (Local GAAP)

(in DKK million)		2024	2023
1	Medical expense insurance	100,2	102,4
2	Income protection insurance	6,2	0,8
5	Other motor insurance	1,8	1,6
6	Marine, aviation and transport insurance	7,7	7,7
7	Fire and other damage to property insurance	4,8	3,7
8	General liability insurance	0,5	0,2
10	Legal expenses insurance	0,0	0,0
11	Assistance	-0,7	3,2
12	Miscellaneous financial loss	24,5	39,1
Total		**145,0**	**158,7**

This year, the largest LoB was LoB 1, which is similar to last year.

The SII LoB "Medical expenses insurance" has remained stable compared to 2023.

The SII LoB "Miscellaneous financial loss" has decreased significantly, mainly due to less business in the Swedish card segment.

The other LoB's have been quite stable in 2024 compared to 2023.

Expenses incurred

Local GAAP net operating expenses for 2023 amounted to DKK 206.7m against DKK 185.2m in 2023, an increase of DKK 21.6m.

The development is shown per Solvency II Line of Business in the table below. Note that the figures are in accordance with Local GAAP.

Table A.2.3 Net Expenses Incurred (Local GAAP)

(in DKK million)		2024	2023
1	Medical expense insurance	82,2	71,5
2	Income protection insurance	10,3	8,2
5	Other motor insurance	0,6	0,5
6	Marine, aviation and transport insurance	13,3	11,6
7	Fire and other damage to property insurance	17,5	19,4
8	General liability insurance	0,5	0,4
10	Legal expenses insurance	0,0	0,0
11	Assistance	2,1	2,6
12	Miscellaneous financial loss	80,2	71,0
Total		**206,7**	**185,2**

Acquisition costs amount to DKK 120.3m against DKK 113.3m in 2023, a decrease of DKK 7.0m. The increase is mainly due to more staff. Commission has decrease slightly compared to 2023, due to less sales.

The administrative expenses amount to DKK 86.7m against DKK 72.1m in 2023, an increase of DKK 14.6m. The increase is a result of us preparing to merge with ERGO Forsikring AS in 2025. This means higher personal costs due to more staff, and several one-time costs due to a restructuring of the company.

Commission and profit commission from reinsurance amount to an income of DKK 0.3m, which is the same level as last year. The reinsurance contracts with commission has almost the same volume in 2024 as in 2023 so therefore this income has been stable.

The total result of business ceded shows a cost for ERV Nordic of DKK 4.4m in 2024 against a cost of DKK 7.3m in 2023. Last year we had higher increases in our claims provision, which is the main reason of the decrease.

Underwriting result

The above-described development in sales, claims, operating expenses as well as technical interest, results in a negative underwriting result of DKK 30.3m, which is a decrease compared to the negative result of DKK 5.6m in 2023. The cost ratio including acquisition costs amount to 64.5% against 55.2% in 2023. Total combined ratio net of reinsurance (total costs measured in relation to earned premiums) is 110.5% against 104.2% in 2023.

A.3 Investment Performance

The total result of investment activities before transfer of technical interest amounts to a profit of DKK 14.0m against a profit of DKK 19.0m in 2023. This year's lowered profit is mainly due to less unrealized bond gains compared to last year.

The result from associated companies is generated by 20% shareholding in the small assistance entity EAH that in 2023 via write down gave a slightly negative result impact.

Income from investment properties amounts to DKK 5.5m against DKK 5.7m in 2023. The lowered result is due to increased real estate tax in 2024 compared to the previous year.

Interest income etc. for the year amounts to DKK 3.2m compared to DKK 3.8m in 2023. As in 2023, our investment portfolio mainly consists of low-risk Danish and Swedish government bonds. The lowered portfolio leads to lowered result.

ERV Nordic is relatively sensitive to the development of the prices of bonds and exchange rates. The company has had a net income in connection with realised and unrealised gains & losses of bonds, bond-based unit trusts and exchange rates of a total of DKK 6.2m against a net income of DKK 10.3m in 2023.
Interest expenses amount to DKK 0.2m in 2024 compared to DKK 0.0m in 2023.

Administrative expenses related to investments amounts to DKK 0.8m compared to DKK 0.7m in 2023. These expenses are primarily triggered by the services delivered by Munich Re that is our appointed investment asset manager.

Interest on insurance provisions shows a negative impact of DKK 4.5m in 2024 compared to a cost of DKK 6.2m in 2023. The development is due to the decreased interest rates.

A.4 Performance of other activities

Other income amounts to DKK 7.2m in 2024 compared to DKK 6.6m in 2023 and other expenses amounts to DKK 5.0m in 2024 compared with DKK 5.9m in 2023. Other income and expenses mainly stem from administration agreements where we deliver our renowned claims handling and assistance services to customers that prefer to self-cover their insurance risks.

Due to our negative ERV Nordic result in 2024, we will have a tax income of DKK 2.1m compared to a tax cost in 2023 of DKK 3.6m.

Receivables from policyholders' amount to DKK 6.4m against DKK 4.2m in 2023, whereas receivables from insurance brokers amount to DKK 8.0m against DKK 7.8m in 2023.

On 31 December 2024, the company's total capital and reserves amount to DKK 252.2m and total assets amount to DKK 494.2m.

A.5 Any other information

Our owners ERGO International AG has decided to implement a branch structure between ERV Nordic and our Norwegian sister company ERGO Forsikring AS, Company Reg. no: 980 126 196. The plan is to establish ERGO Forsikring AS as a branch of ERV Nordic during 2025. We expect the branching of our Norwegian sister company to have a positive effect on our result.

We assume our ERV Nordic business to deliver similar results in 2025 as in 2024, and in total, this means that we expect a better and profitable result in 2025.

B. System of Governance

B.1 General Information on the System of Governance

A functioning and effective governance system is of fundamental importance for effective company control and monitoring. ERV Nordic has a governance system that takes into account the individual business (nature, scope and complexity) as well as the underlying risk profile in an appropriate form. The governance system therefore provides an appropriate and transparent organizational structure with clearly defined organs, structures and responsibilities. The four key functions have a prominent importance.

Structure and responsibilities of the governing bodies
The governing bodies of ERV Nordic are the Board of Directors and the Board of Management.

Board of Directors: Tasks and Responsibilities
The Board of Directors (BoD) are responsible for the overall management of ERV Nordic's business and determining the policies (goal setting, policies, risk assessment and activities of major importance) in accordance with the articles of association and with all valid and relevant legislation. The BoD are responsible for revising decisions and guidelines to ensure conformity with the overall strategy.

In the reporting period, the BoD consisted of five members.

Board of Management: Tasks and Responsibilities
The Board of Management (BoM) manages the daily operations of ERV Nordic and must ensure that the running of ERV Nordic is in accordance with the articles of association, group guidelines, the directions given by the BoD and current legislation.

The BoM must ensure that the bookkeeping of ERV Nordic is compliant with the law and that the asset management is handled in a safe manner. Moreover, the BoM must ensure that the capital resources of ERV Nordic is secure at all times, including sufficient liquidity to fulfil the current and future obligations of ERV Nordic as they fall due.

Currently, the BoM consists of the following people: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO) and the Chief Information Officer (CIO).

Key functions
Solvency II defines the following four key functions that insurance companies must set up:

- Risk management function (RMF),
- Compliance function (CF),
- Internal audit function (IAF), and
- Actuarial function (AF)

The introduction of the four key functions under Solvency II supports the system of the three lines of defence. This system refers to the acceptance or rejection of risks. In the so-called first line, the operating business units are responsible for the initial acceptance or rejection of a risk. The risk management function, the actuarial function and the compliance function in the second line perform regular monitoring as well as the control of all risks on an aggregated level. In the third line of defence, the internal audit regularly reviews the entire governance system and all activities within ERV Nordic.

ERV Nordic is together with its parent company ERGO International AG and its parent company ERGO Group AG, an integral part of Munich RE and is integrated into key corporate processes within the framework of regulatory and corporate legal requirements. The "Policy on Cooperation and Corporate Management in the Munich RE Group (Group Guideline)" regulates the responsibilities and competences between the Group Management of Munich RE and ERGO in the case of decisive decisions. It defines the rights and obligations for the Group functions.

Group Guidelines stipulate that the Governance Functions under the Solvency II Directive, entrusted with the tasks of RMF, IAF, CF and the AF, should be organized on a Group basis and have further-reaching rights and obligations than the other Group Functions of Munich RE. This includes, for example guideline competency, involvement in decisions concerning the filling of positions in the mirror functions of the business areas, or information rights and obligations.

The subject areas of the four governance functions overlap in some places. Nevertheless, ERV Nordic wants to avoid duplicate responsibilities and activities. Therefore, ERV Nordic has defined fixed interfaces between the governance functions. These include task description, support activities, and interchanges, including exchanges of documents of the respective function.

To ensure the necessary regular exchange of information and the joint formation of opinion between the Key Functions, it is necessary that the Key Functions meet with the Head of Legal at least quarterly within the framework of the "Governance Committee". The following subjects are considered in particular:

- Reconciliation of procedures concerning similar questions / issues,
- Exchange of information on proposed legislation of particular relevance for the Governance Functions,
- Discussion of results/ meeting preparations of relevant bodies,
- Reconciliation of reporting activities,
- Discussion of monitoring plans (CF/RMF/AF) and audit plan (IAF),
- Optimisation of interfaces, and
- Ad hoc questions / issues of relevance to several Governance Functions/Legal.

Adequacy of the governance system
ERV Nordic ensures an organizational structure that enables and supports the effective operation of our governance system. In particular, the prerequisites for an appropriate governance system are fulfilled on the following core issues:

- Appropriate and transparent organizational structure (business organization),
- Definition of tasks, responsibility of reporting lines,
- Adequate separation of responsibilities,
- Establishment of organizational procedures,
- Implementation of organizational arrangements,
- Documentation of the structure and process organization,
- Internal audit of the governance system,
- Establish written guidelines, review and compliance,
- Interaction between BoM and BoD,
- Key functions, and
- Creation and implementation of emergency plans.

Material changes in the system of governance
There were no material changes in the system of governance in 2024.

Remuneration policies and remuneration practices
The remuneration system of ERV Nordic is based on legal requirements and regulations. In principle, ERV Nordic's remuneration system is designed in such a way that:

- It achieves the objectives laid down in the strategy, and
- It avoids negative incentives, in particular conflicts of interest and the assumption of disproportionately high risks.

The remuneration system has been determined based on an overall assessment of size, organization and the extent and complex nature of ERV Nordic's activities. The objective is to have a remuneration system, which promotes sound and efficient risk management, and at the same time complies with the strategy, values and goals of ERV Nordic and meet the customers' and investors' interests at all times.

The remuneration system consists of two components: a fixed remuneration component for all employees and a variable remuneration component for employees within the Sales department. The total amount of the variable compensation is determined by the persons own performance, the performance of the relevant department, the company's financial and actual results and the group's financial result.

Board of Directors
The BoD are paid a fixed fee. Board members appointed by, and representing, ERGO International AG shall not receive a fixed fee. There is no paid pension included. There is no variable fee, and there are no paid incentive programs of any kind. The BoD seeks to adjust the amount of the fee in accordance with the extent and responsibility connected with the tasks of the BoD.

Board of Management
The BoM receives a set basic salary, which is endeavoured to be determined so it is competitive with the remuneration of a corresponding job in the financial sector. In addition to the salary, ERV Nordic pays pension contribution, company car of a suitable size, free telephone and other normal salary items (health insurance).

Other employees
Where remuneration schemes include both fixed and variable components, such components shall be balanced so that the fixed or guaranteed component represents a sufficiently high proportion of the total remuneration to avoid employees being overly dependent on the variable components. This allows the undertaking to operate a fully flexible bonus policy, including the possibility of paying no variable component.

Information on essential transactions
In the reporting period, there were no material transactions with shareholders or persons with a material influence on ERV Nordic.

B.2 Fit and proper requirements

A Fit and Proper Policy is established within ERV Nordic. All persons who effectively run ERV Nordic or who are responsible for key functions must at all times meet the "fit and proper" requirements under regulatory laws based on or resulting from the implementation of the Solvency II framework.

In accordance with the Fit and Proper policy, ERV Nordic considers the following criteria when determining the fitness and propriety of key persons:

- A key person is considered "fit" if his/her relevant professional and formal qualifications, knowledge and experience within the insurance sector, other financial sectors or other businesses are adequate to enable sound and prudent management,
- The fitness assessments include, but are not limited to, a review of employment history, references and educational and professional qualifications in relation to the respective duties allocated to the relevant key function. The fitness assessment is based on the definition of the required knowledge, experience and qualifications for the allocated duties,
- A key person is considered "proper" if he/she is of good reputation and integrity,
- When assessing the propriety of key persons, their honesty and financial soundness is assessed based on evidence regarding their character, personal behaviour and business conduct, including any criminal, financial or supervisory concerns raised in any pertinent jurisdiction.

The assessment of each key person´s fitness and propriety is conducted when a person has been appointed. A reassessment must be performed after a maximum of five years if there have been no grounds for earlier assessment. Responsible for the assessment or reassessment is the body or department that appoints the key person or nominates the key person for an election if the key person is elected. The results and conclusions of the assessment are documented. In the event that the reassessment of the fitness and propriety of a key person concludes that a key person can no longer be regarded as fit and proper, the respective responsible body takes appropriate measures. Such measures include considerations of a revocation.

Each key person is obliged to notify ERV Nordic, without undue delay, if he/she no longer meets the propriety requirement set out in the Fit and Proper Policy or are in danger of not complying with such requirements. In an environment with changing and expanding requirements, each key person is obliged to contribute to the maintenance of his/her fitness for the role by actively searching for and taking on opportunities to improve their professional qualifications, knowledge and experience. ERV Nordic supports such training.

B.3 Risk management system including the own risk and solvency assessment

Strategy

Risk management includes all strategies, methods and processes to identify, analyse, assess, control, monitor and report the short and long-term risks ERV Nordic faces or may face in the future. Risk management is performed at all levels of ERV Nordic and is organized according to the three "lines of defence".

- 1st line: Risk takers,
- 2nd line: Risk Management Function (RMF), Actuarial Function (AF), Compliance Function (CF) (2nd line), and
- 3rd line: Internal Audit Function (IAF).

ERV Nordic in accordance with Solvency II defines the 2nd and 3rd line of defence as the "Key Functions".

Processes and reporting procedures

The operational implementation of risk management includes the identification, analysis and assessment of risks. With our risk management processes, we ensure that we continuously monitor all risks. If necessary, we can actively control them.

Risk identification: The risk identification phase of risk management ensures a complete and consistent identification of relevant risks for ERV Nordic. Risks are systematically and consistently identified on a regular (quarterly) basis as well as on an ad hoc basis. New risks are identified while existing ones are (re-)evaluated.

Risk assessment and measurement: Based on the results from the risk identification, risks can be quantified or assessed qualitatively. Having assessed risks and identified all material ones, ERV Nordic is able to manage them. The frequency of the assessment may differ depending on the nature of the risk and the significance of a single risk or group of risks. Stress tests and scenario analyses are implemented where appropriate. For all risks covered by the standard formula, the module results are used in general as basis for the risk quantification. Risks that are not modelled, thus not covered by the standard formula, such as strategic risks, reputational risks and liquidity risks, are evaluated qualitatively within the regular risk identification process.

Risk steering: ERV Nordic manages risks according to the business and risk strategy. It is necessary to keep risks within appropriate and approved risk limits and to take actions where necessary on specific risk triggers. ERV Nordic strives to reduce the probability of the risk occurring or the financial impact and financial losses and ensures the achievement of business objectives. The measures must be within the scope of the risk bearing capacity and relevant regulatory and group requirements.

Risk monitoring and reporting: Risk monitoring focuses on the risk profile and takes into account predefined risk ratios and measures. The efficiency of steering measures is analysed by comparing the actual to the target risk position. With our risk reporting, we not only meet current legal requirements, but also provide internal transparency for management, the BoD and ERGO. Internal risk reporting states both quantitative and qualitative information in each individual risk category and requires action by management where necessary.

Key tasks of the risk management function (RMF):

Coordination tasks: The RMF coordinates the risk management activities at all levels and in all business areas. In this role, RMF is responsible for the development of strategies, methods, processes and procedures for the identification, assessment, monitoring and management of risks and ensures the correct implementation of risk management guidelines.

<u>Risk control tasks</u>: The RMF is responsible for mapping the overall risk situation of ERV Nordic and in particular the identification of risks that jeopardize existence.

<u>Early warning tasks</u>: The responsibility of the RMF is also to implement a system that ensures the early identification of risks and develops proposals for appropriate countermeasures.

<u>Advisory tasks</u>: The RMF advises BoM on risk management issues and supports strategic decisions.

<u>Monitoring tasks</u>: The RMF monitors the effectiveness of the risk management system, identifies potential weaknesses, reports to the management and develops suggestions for improvement.

The RMF also ensures comprehensive reporting to management. In addition to presenting the current risk situation, it also includes the results of ERV Nordic's Own Risk and Solvency Assessment (known as ORSA).

Process in regards to the Own Risk and Solvency Assessment (ORSA)
ORSA is a central component of the risk management system. It encompasses all processes and procedures for the identification, assessment, monitoring and management of short- and long-term risks. ORSA covers all qualitative and quantitative risk management topics and links the business strategy with the risk strategy and capital management. This is done according to the planning horizon for current and future deadlines.

The BoD plays an active role in the set-up of ORSA and has the overall responsibility whereas the RMF has the operative responsibility. The ORSA report compiles detailed information and results of ERV Nordic's risk and solvency assessment. The results are discussed, formally adopted and actively used for the purposes of steering.

The ORSA report includes the following:

- Assessment of the risk profile,
- Assessment of overall solvency needs, and
- Compliance with regulatory capital requirements.

The activities of the regular ORSA are linked to the business planning process and are carried out annually. A non-regular ORSA process takes place when there are significant changes to the Risk profile. Regular monitoring of the significant risks and ad hoc reporting has been established.

B.4 Internal control system

Description of the Internal Control System (ICS)
Our ICS is primarily used to ensure that business operations can run efficiently and effectively. In doing so, our ICS ensures that internal policies as well as legal and regulatory requirements are adhered to.

ICS is a system that manages operational risks (OpRisk). A properly functioning ICS helps to reduce or avoid losses from OpRisk. Nevertheless, even a highly developed ICS cannot provide absolute protection and is no substitute for the risk awareness expected of all staff and managers in their daily work.

Within the ICS, significant OpRisks and corresponding controls are identified, analysed, assessed and documented across all important risk dimensions (financial reporting, compliance and operations) with the aim of achieving a harmonised holistic approach to risk controls. Clear responsibilities for risks, controls and control measures are allocated, which creates transparency, efficiency and effectiveness.

The ICS is based on the concept of the "three lines of defence" represented by three roles: risk-takers (those who accept risk), risk controllers (those who monitor risk) and independent assurance (those who are independent of the operating business and examine the design and performance of the risk controls). The overall responsibility for risks and their control, and for setting the overall risk tolerance, lies with the BoD (Risk owner).

Description of the Compliance Function (CF)

ERV Nordic has established a function that is responsible for monitoring adherence to compliance, the compliance function (CF), which is currently performed by three persons; the Nordic Head of Legal & Compliance, a Senior Compliance Officer and a Compliance Officer.

The CF of ERV Nordic is part of the governance system and controls Compliance Risks by assessing the compliance risk landscape and conducts yearly compliance monitoring (planned by risk-based approach and ad hoc).

The task of the CF is also to advise the management bodies on adherence to laws and regulations adopted pursuant to Directive 2009/138/EC. It also includes an assessment of the possible impact of any changes in the legal environment on the operations of the undertaking and the identification and assessment of the risk of compliance with legal requirements.

In addition, the CF should assess the potential impact of changes in the legal environment of ERV Nordic, and identify and assess the risk caused by violation of legal requirements (compliance risk).

The Compliance Function has the following tasks:

- Risk control tasks,
- Early warning tasks,
- Advisory tasks, and
- Monitoring tasks.

ERV Nordic defines compliance as adherence to all applicable legal, regulatory and other external requirements and standards as well as internal regulations of ERV Nordic or its parent companies.

The CF performs its tasks autonomously and independently, without prejudice to the overall responsibility of the management. When assessing compliance-relevant issues it is not subject to instructions.

The responsible Board ensure the independence of the CF and provides the necessary adequate supply of personnel and material.

With the implementation of a comprehensive compliance management system, ERV Nordic pursues the following objectives:

a) Compliance with statutory, regulatory and internal requirements,
b) avoidance of liability risks and criminal liability,
c) avoidance of reputational risks,
d) appropriate management of conflicts of interest, and
e) protect the interests of our customers.

The CF bears responsibility as a 2nd line function for the above objectives under the following core topics, bearing in mind that it is 1st line who are responsible for having norms and procedures in place which fulfill objective a).:

- Code of Conduct,
- Reputational risks,
- Incentives / gifts / gratuities / invitations,
- Bribery / corruption,
- Sales Compliance,
- Competitive Restriction,
- Fraud prevention,
- Financial Sanctions, and
- Regulatory requirements.

For these topics, CF is responsible for compliance risk analysis, compliance related communication, training and monitoring.

For financial sanctions, CF has a coordinating role, the operational responsibilities lie in the departments.

A sound and comprehensive compliance risk analysis forms the basis for an effective compliance management system. Its purpose is the systematic identification and evaluation of compliance risks by the CF. Findings from the compliance risk analysis forms the basis for the compliance plan.

Regular communication of compliance issues is a fundamental component of the compliance management system. It is important to increase awareness amongst employees of the relevant issues, thereby strengthening the corporate compliance culture. Various communication channels are used such as the intranet, staff newsletter or regular training events.

Monitoring tasks refers to identifying and performing risk-based monitoring activities for compliance topics as well as to the establishment of a process for tracking and escalating gaps. Furthermore, it refers to the follow-up on weak compliance controls (results of compliance risk assessment) and the implementation of necessary structural improvement measures.

The results of the compliance risk assessment or any significant changes in terms of compliance risk situation of the company are presented to the BoD and BoM at least once a year for information and on ad hoc basis.

B.5 Internal audit function

ERV Nordic has established an Internal Audit function (IAF). The IAF supports ERV Nordic's BoD in carrying out its monitoring tasks. In particular, it is responsible for evaluating the effectiveness of the internal governance system, including the risk management system, internal control system and the three key functions compliance, risk management and actuarial function.

Organisation
The IAF is an independent division. The IAF is headed by the Chief Internal Auditor. The Chief Internal Auditor reports directly to the BoD and the Audit Committee. Recruitment and dismissal of the Chief Internal Auditor may only be carried out by the BoD.
As ERV Nordic is part of ERGO and Munich RE, the IAF works closely together with the IAF from these companies. The IAF operates within the framework of the standards applicable throughout Munich RE. These are based on standards issued by the Institute of Internal Auditors (IIA).

Audit process
The core tasks of the IAF include:

Audit Performance: The IAF audits the governance system, consequently the entire business organization, and in particular the internal control system in terms of appropriateness and effectiveness. The auditing work of the IAF must be carried out objectively, impartially and independently at all times. The audit area of the IAF covers all activities and processes of the governance system, and explicitly includes the other key functions. The audit assignment includes the following areas in particular:

- Effectiveness and efficiency of processes and controls,
- Adherence to external and internal standards, guidelines, rules of procedure and regulations,
- Reliability, completeness, consistency and appropriate timing of the external and internal reporting system,
- Reliability of the IT systems, and
- Nature and manner of performance of tasks by the employees.

Reporting tasks: A written report is submitted promptly following each audit by the IAF. At least once per year, the IAF will prepare a long form audit report comprising the main audit findings for the past financial year. Within the follow-up process, the IAF is also responsible for monitoring the rectification of deficiencies.
Consulting tasks: The IAF can provide consulting work, for example within projects or project-accompanying audits, and advise other units concerning the implementation or improvement of controls and monitoring processes. The prerequisite is that this does not lead to conflicts of interest and that the independence of the IAF is ensured. Provision of assurance services (audits) has priority over other activities, such as consulting.

Independence and objectivity
The Chief Internal Auditor is aware and adheres to the national and international standards for Internal Audit.

This also applies to the principles and rules for safeguarding the independence and objectivity of Internal Audit. Numerous measures (adequate positioning in the organizational structure, consistent segregation of duties, and comprehensive quality assurance during the audit) ensure that the independence and objectivity of the IAF is adequately ensured.

The Chief Internal Auditor is not allowed to have an economic interest in ERV Nordic and must comply with the fit and proper requirements.

In order to ensure independence, the IAF does not assume any non-audit-related tasks.

When assigning the auditor, attention is paid to the fact that there are no conflicts of interest and that the auditors can perform its duties impartially. In particular, it is ensured that an auditor does not audit any activities, which he/she was responsible for in the course of the previous twelve months.

IAF is not subject to any instructions during the audit planning, the performance of audits, the evaluation of the audit results and the reporting of the audit results. The right of the BoD to order additional audits does not impair the independence of Internal Audit.
During the reporting period, the independence and objectivity of the Internal Audit department was not impaired at any time.

The Audit Committee evaluates the independence, objectivity and qualifications of the Internal Audit on an annual basis. The conclusions of the evaluation are reported to the BoD.

B.6 Actuarial function

The Nordic Head of Actuarial Department is responsible for the actuarial function (AF) of ERV Nordic. The AF must be deemed fit & proper by the Danish FSA adhering to requirements for key functions, i.e., fit, proper, must have sufficient knowledge of insurance activities of ERV Nordic and an extensive professional knowledge of both actuarial and financial mathematics.

The Board of Management of ERV Nordic appoints the AF, and ensures that the AF has sufficient resources for tasks of the function.

Organizationally, the AF is part of the Finance Department and reports directly to the CFO. Furthermore, the AF has a dotted reporting-line to the BoD as well as the ERGO group AF. The organizational structure ensures independence of the AF.

It is the responsibility of the BoD to ensure that the AF receives all information relevant for the calculation and validation of technical provisions. Including information on new or changed products, reinsurance, and M&A.

The AF undertakes the duties and responsibilities set out for an AF in the Solvency II regulation, including the preparation of the annual AF report, which is presented to the BoD.

B.7 Outsourcing

Presentation of the Policy for Third Party Risk Management (TPRM Policy)
ERV Nordic together with its parent company has implemented a policy with minimum requirements for managing the risks of third parties, including the risks related to outsourcing. It is updated and approved annually or ad-hoc when needed. The TPRM Policy ensures that processes and strategies remain at a certain level even if an activity is managed by a third party. This is to fulfil the expectations from the policyholders and to comply with statutory requirements.

The principle of proportionality shall apply regarding the extent and make sure the requirements for outsourcing are fulfilled. The requirements are to be fulfilled by ERV Nordic in a way that is appropriate in view of the character, the scope and the complexity of the risks associated with the business. The freedom of evaluation and organization arising from this principle of proportionality is not static but rather has to be assessed in each case according to the current situation of ERV Nordic.

The BoD of ERV Nordic is ultimately responsible for the outsourced activities. It must ensure that our company meets the requirements for outsourcing. The policy ensures that our company is responsible for fulfilling all legal obligations, in particular against supervisory authorities.

Outsourcing related to operational or other significant functions of ERV Nordic is not allowed if the outsourcing can lead to:

- significant impairment of the quality of the governance system of the outsourcing company,
- excessive increase in operational risk,
- impairment of the ability of supervisory authorities to supervise compliance with ERV Nordic's obligations,
- jeopardising of a continuous and satisfactory service for policy holders, or
- jeopardising other operational procedures for the insurance company.

Outsourcing
Outsourcing arise when ERV Nordic commission a service provider to carry out an activity or process in connection with the performance of insurance, financial or other services that are:

- otherwise provided by the insurance company or the financial services provider itself (insurance-specific), and
- important for ERV Nordic.

An activity is insurance-specific only when there is a relation between the outsourced activities and the original insurance business. A transferred task is considered important for ERV Nordic when it is long-term or occurs with a certain frequency (not once-off business or business with occasional external character) and is significant for ERV Nordic (thus not ancillary, preparatory or subordinate activities).

ERV Nordic has outsourced the following important functions or important insurance activities including the jurisdiction:

- Asset Management, Germany, Munich Re
- Asset Management, Germany, MEAG
- SAP, Germany, ERGO
- Solvency II support, Germany, ERGO
- Claims handling and Assistance[1], Czech Republic, Eurocenter
- Claims handling of clock and watch insurance for ERV Sweden, Sweden, Claims Link
- IT infrastructure, Denmark, Sentia
- Sale of travel- and cancellation insurance, Denmark, Kilroy
- Claims handling and customer support for ERV Sweden, Sweden, SkiStar and
- Sale of insurances for ERV Sweden, Sweden, SkiStar.

B.8 Any other information

The BoD regularly reviews the system of governance. The conclusion is that the system of governance is organised appropriately and has been effective during 2024.

[1] Partially outsourced

C. Risk Profile

Changes in ERV Nordic's risk profile
There were no significant changes to the risk profile of ERV Nordic in 2024.

Investment of assets under the prudent person principle
The investment management policy ensures compliance with the Prudent Person Principle as laid down in Article 132 of the Directive 2009/138/EC.

It is ERGO and Munich Re that defines the investment strategy for ERV Nordic and it is then the BoD of ERV Nordic who approves the strategy. Thereafter it is Munich Re, who carries out the strategy and ERV Nordic that manages the strategy. This setup secures the proper asset management for ERV Nordic.

According to internal policies, investments should be made in assets whose underlying risks can be properly identified, measured, monitored, controlled and reported. This is to ensure that the interest of the policyholders and the beneficiaries are managed in the best possible way.

In order to secure that the value of the registered assets is at least equal to the value of the total technical provisions, the value of the registered assets must correspond to the value of the technical provisions including an excess coverage.

Description of Stress-tests and Scenario analyses
Stress tests
The stress tests are derived based on expert assessment. They reflect the potential adverse developments that ERV Nordic may face. ERV Nordic is sensitive to stress but the stresses are considered highly unlikely.

Reverse Stress tests
ERV Nordic defines reverse stress tests as tests that identify the circumstances that jeopardize the viability of ERV Nordic and describe its precautions. This study examines the scope of events that can potentially lead to a solvency ratio of less than 100%. ERV Nordic has not been able to verify any probable circumstances that could significantly affect the solvency of ERV Nordic.

Sensitivity analyses
In accordance with the rules stipulated in BEK no. 615 of May 25th 2018, ERV Nordic has calculated sensitivity analysis on a quarterly basis. The sensitivity analysis done as of 31st December 2024 shows that we are able to withstand changes in the significant risk categories.

C.1 Underwriting risk

Risk exposure
The core activities for ERV Nordic are sale of travel insurance together with health insurance for employees stationed abroad as well as affinity group centered business in Sweden. The key risk drivers for these lines of business are geo-political, public health, financial/currency crisis or increased prices for medical treatment, wrong assumptions in underwriting of new products or actuarial calculations of risk events. Underwriting risk is connected with the business lines and business strategy and needs to be considered when dealing with new business and the negotiation of reinsurance contracts.

Significant risk concentrations
Internal policies and guidelines, in conjunction with the internal control system, prevents undesirably high risks in the course of business processes. This includes both peak risks (check reinsurance capacities) and accumulation risks (cumulative control). For ERV Nordic, the 200-year scenarios for catastrophes apply.

Risk reduction techniques
When identifying underwriting risks, ERV Nordic analyses the risks that exist in the insurance portfolio. New business, the assumptions behind the new business plan and the impact this could have on underwriting risk is analysed. During the year, there is an exchange between different business functions to increase the understanding and improve the modelling or the risk in the portfolio.

It is the policy of ERV Nordic to ensure that risks originating from underwriting activities shall be covered or limited to such a level that ERV Nordic will be able to maintain a normal operation and carry out planned initiatives even in case of a very unfavourable development. Underwriting guidelines and suitable reinsurance programs quantify underwriting risks.

Use of special purpose vehicles
ERV Nordic does not use any special purpose vehicles within the meaning of article 211 in the Directive 2009/138 / EC of the European Parliament and of the Council.

C.2 Market risk

Risk exposure
Market risk expresses the risk of losses or negative effects on the financial strength of ERV Nordic. It results from price changes and fluctuations in the capital markets. Market risks are the most important capital risks. Market risks consist of property risk, equity risk, currency risks, market risk concentration, interest rate risk and spread risk. Our aim is to control the market risks in such a way that a return corresponding to the risks taken is obtained.

Key risk drivers are geo-political environment and financial/currency crisis. Especially financial crises can have a major impact on the risk concerning currency, market value of bonds and interest rate risk.

Significant risk concentrations
The total risk is dominated by property risk, equity risk, currency risk and market risk concentrations. Especially equity risk, currency and concentration risk are connected.

Risk reduction techniques
When identifying market risk, ERV Nordic looks at risks that are inherent to the asset portfolio. It is analysed what impact internal or external influences could have on bonds and equities and the impact that e.g. changes in real estate process, interest rate levels and volatility, or adverse changes in currency rates could have on the portfolio. In addition, it is analysed what impact a new investment strategy could have on the existing portfolio and risk profile.

Various identification and monitoring procedures have been established to ensure that market risk can be managed appropriately. These include regular monthly processes, ad-hoc reports as well as the on-going monitoring of triggers and limits.

The liability-driven investment process is designed to mitigate risk to an acceptable level.

In terms of capital, ERV Nordic is sensitive towards the development of currency rates and the prices of bonds, shares and participations. The standard model calculation has been used to assess the risks and the necessary capital for this type of risks. This model uses a confidence level of 99.5%, ensuring that ERV Nordic can meet the policyholders' claims for 199 years out of 200 years.

ERV Nordic can consume the above mentioned capital and still have a solvency ratio well above 100%.

C.3 Credit risk

Risk exposure
Credit risk is defined as an economic loss that can arise if the financial situation of a counterparty changes. The credit risk includes both the risk of deterioration of the "rating" of the counterparty and the credit spread risk. Examples are the financial situation of an issuer of securities or a debtor with obligations to ERV Nordic.

Measures for risk assessment
In our fixed-income investments, we control the associated credit risk by selecting issuers with appropriate quality and respecting counterparty limits. The rating of external rating agencies is just one of several criteria that we take into account.

Significant risk concentrations
The majority of our investments consist of securities issued by issuers with very good credit ratings. We consider the credit risk to be very small.

Risk reduction techniques
When identifying credit risk, we look at risks that are inherent to assets and liabilities. We analyse what impact this risk could have on our financial situation, particularly resulting from a counterparty default, be it asset or liability side.

Investment principles have been defined for steering credit risks. Additionally, guidelines and processes, which includes limits and triggers to steer risks, are implemented.

C.4 Liquidity risk

Risk exposure
Liquidity risk refers to the risk that ERV Nordic is unable to meet its financial obligations at maturity due to inadequate assets. The driver is higher claims than expected and major decreases in market value of liquid assets. Based on the positive cash flow associated with the business model, ERV Nordic is in a comfortable liquid position. Therefore, the liquidity risk is limited for ERV Nordic.

Measures for risk assessment
The risk strategy states several liquidity criteria to ensure that sufficient liquidity is maintained.

- Known and expected payments can be fulfilled at all times
- Claims payments can be fulfilled even in shock events

Significant risk concentrations
There are no risk concentrations for liquidity.

Risk reduction techniques
The strategy for managing liquidity risk is to reach the most exact match of assets and liabilities, a so called "asset-liability management". The duration of investments is slightly longer than for the technical liabilities. Therefore, ERV Nordic needs more cash or very liquid investments to secure its technical commitments.

C.5 Operational risk

Risk exposure
Operational risks are risks stemming from inadequate or failed internal processes, people and systems or from external events. Strategic and reputational risks are not included as these are assessed in separate sections below. Compliance risks are included under reputational risks below.

Measures for risk assessment
Operational risks are addressed in an internal control system (ICS) which is performed on an annual basis. Each risk is discussed and evaluated, and a responsible person is assigned. The Risk Manager follows up on the status for each risk.
Operational risks are also addressed in our Business Continuity Management setup. We perform a business impact analysis on a yearly basis where we identify major threats and a plan on how to decrease the residual risk to an acceptable level.

Significant risk concentrations
Weaknesses in the control environment, as well as in IT systems, can have an impact on the insurance-related operating processes and thus have a cumulative impact.

Risk reduction techniques
It is the strategy of ERV Nordic to avoid operational risks as far as possible, and suitable frameworks are implemented to help identify, manage and mitigate these risks. The ICS provides a framework for identifying and mitigating so-called high frequency, low impact losses. The primary focus here is on losses that have not yet occurred. On the other hand, the implemented risk management system and risk reporting deals with risks that have occurred and are still not mitigated sufficiently.

C.6 Other material risks

Strategic Risks
We identify strategic risks as risks arising from wrong business decisions and poor implementation of decisions already taken. We also reflect the lack of adaptability to the changes in the environment. Strategic risks exist with regard to existing and new potentials, for the success of ERV Nordic.

ERV Nordic is exposed to a variety of strategic risks such as changes in the customer structure ("demography") and the buying behaviour ("Internet"). Additional risks may arise as a result of changes in the competitive environment.

Strategic risks relate in particular to current and future risk potential for success (risk of "future foregone profits") and are in interdependence with other risk categories. Strategic risks develop typically over a longer period of time (e.g. competitive topics), but it can also happen suddenly (e.g. legal risks). It usually has an impact on ERV Nordic over several years and is partly included in the planning process. The risk is identified and analysed in a structured process and remedial measures are taken when necessary.

Reputational Risks

We define reputational risk as the risk of damage that occurs if the reputation of ERV Nordic deteriorates. Relevant groups in this regard are the public, customers, shareholders, employees, sales partners or other stakeholders, such as supervisory authorities.

The impacts range from reduced opportunities (new business, sales partners, etc.) to administrative additional expenses (for example, preparation of requested information by the press or supervision).

An identification process of reputational risks is put into place through ad hoc reporting and regular quarterly communication between the governance functions. In addition, internal control systems, where a basic assessment of potential reputational loss for each operational risk is done, are completed by both the Compliance Officer and the Risk Manager. If the risk is assessed as being above the process owner's acceptable range, then a measure is required and monitored.

C.7 Any other information

ERV Nordic has no other material information to provide regarding the risk profile.

D. Valuation for Solvency Purposes

This section of the report sets out the value of the assets (D.1), technical provisions (D.2) and other liabilities (D.3) of the Company. Assets, technical provisions and other liabilities are broken down into material classes and lines of business as required by Solvency II. Two sets of values are presented:

- Figures prepared in accordance with Solvency II rules and guidance, and
- Figures prepared in accordance with the accounting standard used for ERV Nordic statutory financial statements mentioned as Local GAAP.

A description of the differences between the Solvency II valuation methods and assumptions and the statutory accounts basis is provided.

Table D Value of Assets and liabilities

(in DKK million)	Local GAAP - Statutory accounts value	Reclassification & SII Valuation adjustments	Solvency II value
Assets			
Intangible assets	9,4	-9,4	0,0
Deferred tax assets	5,0	-5,0	0,0
Property, plant & equipment held for own use	31,5	0,0	31,5
Investments (other than assets held for index-linked and unit-linked contracts)	379,2	0,7	379,9
Property (other than for own use)	78,6	0,0	78,6
Holdings in related undertakings, including participations	0,0	0,0	0,0
Bonds	239,8	0,7	240,6
Collective Investments Undertakings	60,2	0,0	60,2
Reinsurance recoverables from:	1,8	0,9	2,7
Non-life and health similar to non-life	1,8	0,9	2,7
Insurance and intermediaries receivables	15,5	0,0	15,4
Reinsurance receivables	-	0,0	0,0
Receivables (trade, not insurance)	28,6	-1,9	26,7
Cash and cash equivalents	13,2	0,0	13,2
Any other assets, not elsewhere shown	8,8	-0,5	8,3
Total assets	**492,9**	**-15,2**	**477,6**
Liabilities			
Technical provisions – non-life	152,7	13,5	166,2
Technical provisions – non-life (excluding health)	54,4	9,1	63,6
Technical provisions - health (similar to non-life)	98,3	4,4	102,7
Deferred tax liabilities	11,5	19,8	31,4
Financial liabilities other than debts owed to credit institutions	0,3	0,0	0,3
Insurance & intermediaries payables	22,0	-0,6	21,5
Reinsurance payables	0,3	0,0	0,3
Payables (trade, not insurance)	42,2	-1,8	40,3
Total liabilities	229,2	31,0	260,2
Excess of assets over liabilities	**263,6**	**-46,2**	**217,4**

D.1 Assets

Valuation of Assets

The assets of ERV Nordic are valued in accordance with Article 75 of the Solvency II Directive, related articles of the Delegated Act (i.e., Solvency II Delegated Regulation 2015/35), and the guidelines issued by EIOPA on the valuation of assets and liabilities other than technical provisions.

The following paragraphs describe the bases, methods, and main assumptions used in valuing assets for Solvency II purposes for each material class of assets. Additionally, they provide an explanation of any material differences from the bases, methods, and main assumptions used for valuing these assets in the financial statements.

Solvency II requires assets and liabilities to be valued on a basis that reflects their fair value (referred to as 'economic valuation'), except for liabilities, which should not be adjusted to account for changes in an insurer's own credit rating.

ERV Nordic's financial information (prepared under local GAAP) follows the recognition and measurement bases required in the Danish Financial Business Act, including the Danish FSA's Executive Orders on Financial Reports for Insurance Companies and Lateral Pension Funds (Nationwide Occupational Pension Funds). Therefore, the valuation of assets and liabilities for Solvency II purposes starts with the values from the financial statements, which are then adjusted to account for specific differences in valuation between Danish GAAP and Solvency II. These adjustments fall into two broad categories:

- Reclassifications of the Danish GAAP balance sheet items into the appropriate Solvency II categories.
- Revaluation adjustments for areas where the valuation techniques under Danish GAAP are not considered consistent with Solvency II requirements.

For further details on the accounting policies adopted for the purposes of preparing statutory accounts, please refer to the accounting policies section of the Company's financial statements.

The following asset categories were not held by ERV Nordic as of December 31st 2024:

- Goodwill,
- Deferred acquisition cost,
- Pension benefit surplus,
- Equities – listed,
- Derivatives,
- Deposits other than cash equivalents,
- Other investments,
- Assets held for index-linked and unit-linked contracts,
- Loans and mortgages,
- Deposit to cedants,
- Reinsurance receivables,
- Own shares, and
- Amounts due in respect of own fund items or initial fund called up but not yet paid in.

Intangible assets

Table D.1.1

(in DKK million)	SII	Local GAAP
Software	0,0	9,4

Solvency II:

Intangible assets such as goodwill, trademarks and software are as rule of thumb valued at zero at the Solvency II balance sheet, the exception being if there is an active market for the assets. ERV Nordic has valued its software assets to zero in the Solvency II balance sheet.

Local GAAP:

Under local GAAP, intangible assets are valued at acquisition costs, with deductions for depreciations and write-downs, as described in Danish GAAP §61-62.

A linear write-down is applied based on the following assessment of the assets' expected useful lives:

Software, presently:	3-5 years

Property, plant and equipment held for own use

Solvency II:

According to the Solvency II-valuation principles, undertakings shall apply the fair value model and the revaluation model of IAS 40 and IAS 16 respectively when valuing property, plant and equipment. Furthermore, it is permitted to apply valuation models that value at the lower of the carrying amount and fair value less costs to sell.

Revaluation model: After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a re-valued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period (IAS 16.31).

The value of the domicile is the same in Solvency II as in Local GAAP and is valuated at Fair value.

As the technical standard 15 of EIOPA sets out, fixed assets must be recognized at their re-valued amount (IAS 16) if the economic value can be measured reliably. The re-valued amount is equal to the economic value at the valuation date less accumulated scheduled amortization and impairment losses (see IAS 16.31).

In accordance with EIOPA-BoS-15/113, inventories must be measured at fair value. Alternatively, recognition of the net sale value (IAS 2) is allowed, if the net sale value is not materially different from the fair value. Then, inventories must be measured at the lower of acquisition or manufacturing costs and their net realizable value (IAS 2.9).
As the inventories are not considered material, they were recognized at the Local GAAP value.

Local GAAP:
Domiciles are measured in the balance sheet at their re-valued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation. Revaluations are performed regularly to avoid the carrying amount differing from the domicile's fair value at the balance sheet date.

For reporting under the terms of Danish GAAP, fixtures and operating equipment are measured at cost less accumulated write down and any accumulated impairment losses.
The tangible assets are written down on a linear basis from the following assessment of the assets' expected useful lives, as follows:

Furniture and other operating equipment	5 years
Computer hard and software, presently	3 years
Motor vehicles, presently	5 years

The assets' residual values and useful lives are reviewed at each yearend and adjusted if appropriate.

Holdings in related undertakings, including participations

Capital holdings (shares) in the associated company European Assistance Holding are stated in Local GAAP at the equity value using the equity method. Consequently, the shareholdings are shown in the balance sheet as the pro rata share of the companies' equity.

Shareholdings in the associated company European Assistance Holding AG are stated at fair value for Solvency II. The method is essentially the same, and the value at year-end 2024 is identical to that in local GAAP. The value is DKK 0 and is therefore not visible in the table "D Value of Assets and Liabilities."

Bonds

Listed bonds are stated at the closing price listed on the date of the balance sheet. However, drawn bonds are stated at fair value. The valuation methods in Solvency II and Danish GAAP are the same.

Collective Investments Undertakings

The valuation methods in Solvency II and Danish GAAP are identical. Thus, there are no differences in the values.

Reinsurance recoverable

Table D.1.2

(in DKK million)	SII	Local GAAP
Reinsurance recoverable	2,7	1,8

The main difference between reinsurance recoverable in Solvency II and Local GAAP is that an IBNR reserve was booked for ceded business in Solvency II, this reserve is not included in Local GAAP. Another difference is the counterparty default adjustment, which is not included in Local GAAP. Normally, the calculation of premium provision is the most important difference, but as there is nearly no premium provision at ceded business at yearend 2024, this is not relevant.

Reinsurance receivables

Table D.1.3

(in DKK million)	SII	Local GAAP
Reinsurance receivables	0	0

Reinsurance receivables in Solvency II are stated after discounting and counterparty default adjustment. However, as the debt is short-term and the reinsurer with debt is rated A or better, the default adjustment is not visible.

In local GAAP, reinsurance receivables are stated net of a bad debt reserve calculated based on an individual assessment of the debtors. The main difference between Solvency II and local GAAP is caused by the fact that reinsurance receivables or liabilities with affiliated companies in local GAAP are shown under either Receivables (trade, not insurance) or under the item Payables (trade, not insurance). A reallocation is done in the table 'D Value of Assets and Liabilities' above so that the figures are comparable.

Insurance and intermediaries' receivables

Based on Solvency II and Danish GAAP §46, there are no differences in the valuation of insurance and intermediaries' receivables except for the counterparty default adjustment.

Receivables, (trade, not insurance)

Table D.1.4

(in DKK million)	SII	Local GAAP
Receivables (trade, not insurance)	26,7	28,6

The valuation methods in Solvency II and Danish GAAP are the same, except for a counterparty default adjustment to the Solvency II figures.

Cash and cash equivalents

The valuation methods in Solvency II and Danish GAAP are identical. Thus, there are no differences in the values.

D.2 Technical provisions

In general, the technical provisions are the sum of best estimates of claim and premium provisions and a risk margin. Technical provisions as of year-end 2024 by line of business are listed in Table D.2.1.

The best estimates correspond to the probability-weighted average of future cash flows, considering the time value of money (expected present value of future cash flows), using the relevant risk-free interest rate term structure. The calculations of the best estimates are based on up-to-date and credible information, realistic assumptions and are performed using adequate, applicable, and relevant actuarial and statistical methods in accordance with Solvency II and Munich RE requirements.

Table D.2.1

(in DKK million) **Type of business**	**Line of business**	**Best estimate**	**Risk margin**	**Technical provision**
Direct business and accepted proportional reinsurance	Medical expense insurance	89,4	3,2	92,6
	Income protection insurance	9,5	0,4	9,9
	Other motor insurance	0,7	0,0	0,7
	Marine, aviation and transport insurance	8,5	0,7	9,2
	Fire and other damage to property insurance	6,0	0,4	6,4
	General liability insurance	1,5	0,1	1,6
	Legal expenses insurance	0	0	0
	Assistance	2,6	0,1	2,7
	Miscellaneous financial loss	40,7	2,2	42,9
Total		**158,9**	**7,1**	**166,0**

Claims provisions are the discounted best estimates of all future cash flows (claim payments, expenses, and future premiums) related to claim events prior to the valuation date.

Premium provisions are the discounted best estimates of all future cash flows (claim payments, expenses, and future premiums due) relating to future exposure arising from policies that we are obligated to at the valuation date. For all lines of business, premium provision was ascertained using the 'combined ratio method'.

Combined ratio method: BE = UPR * CR, deducted with contract boundary premium calculated as CBP * (1 - CRA).

Where:
BE = Best Estimate
UPR = Unearned Premium Reserve
CR = Combined Ratio = Loss Ratio + Expense Ratio
CBP = Contract Boundary Premium
CRA = Combined Ratio incl. Acquisition Cost = Loss Ratio + Expense Ratio + Acquisition Ratio

The risk margin is intended to be the amount that a third party would require taking over the liabilities at the valuation date, taking into account the Cost of Capital needed to support those liabilities for the remaining lifetime. Risk margin according to Solvency II is calculated based on the standard formula, where hedge able risk elements are excluded in the reference SCR. A simplified method is used for the calculation in which the run-off pattern of the technical provisions is used for projecting the future SCR. Risk Margin in local GAAP is calculated based on the SII Risk margin from the previous quarter. If significant changes take place in the time between, affecting the SCR or Risk margin, this will be accounted for.

Technical provisions according to Local GAAP consist of provisions for unearned premiums, remaining risks, and provisions for outstanding claims, corresponding to obligations arising from applicable insurance agreements.

Provisions for insurance contracts (premium provision)

A simplified calculation of premium provision, as per the Danish Executive Order on Financial Statements § 72, is applied.

Provisions for insurance contracts are recognized as future payments, including payments for administration and claims handling regarding future events for in-force policies. However, at a minimum, they include the portion of the premium calculated using the "pro rata temporis" principle until the next payment date. Adjustments are made to reflect any variations in the incidence of risk. For new annual insurance policies, where a significant part of the risk is immediate upon becoming effective, we recognize as income 50% of the premium within the first 2-3 weeks, distributing the remainder according to the "pro rata temporis" principle.

The provisions also include amounts reserved to cover risks associated with increasing age. These provisions are set aside when there is no longer a natural premium, and the risks covered increase with the insured person’s age.

Provisions for insurance contracts are recognized, considering deductions for direct acquisition costs.

Provisions for claims

Provisions for claims encompass both direct and indirect claims handling costs arising from events that have occurred up to the balance sheet date. They are estimated using assessments for individual cases reported to ERV Nordic, as well as statistical analyses for incurred but not reported claims and the expected ultimate cost of more complex claims that may be influenced by external factors, such as court decisions.

Claim provisions are discounted if material. Discounting is based on a yield curve reflecting duration, applied to the expected future payments from the provision.

Risk margin on insurance contracts

The risk margin on insurance contracts represents the expected amount payable if the portfolio of insurance contracts were transferred to another company.

Uncertainties in the calculation of actuarial provisions include but are not limited to future trends such as demographic, legal, medical, technological, social, environmental, and economic developments affect the future cash inflows and outflows required to fulfill the obligations.

The AF validates the technical provisions and compares the development of past provisions with realized figures. Based on the validations, the AF finds that the technical provisions are sufficient to cover the future cash flows related to claims already occurred and to policies already issued.

Valuation differences between Local GAAP and Solvency II

Table D.2.2

(in DKK million)	SII	Local GAAP
Total Gross	158,9	145,5
Reinsurance recoverable*	-2,7	-1,8
Risk Margin	7,1	7,2
Total net	**163,3**	**150,9**

* In Solvency II, the recoverables from reinsurance are after adjustment of expected losses due to counterparty default and discounting.

Table D.2.3 Technical provision (TP) Gross

	Local GAAP TP Gross incl. Local GAAP risk margin
-	Local GAAP risk margin
+	Deferred acquisition cost gross
-	Reduction of Premium provision calculated as the premium provision multiplied with (1-(claim and expense ratio)

-	Expected profit included in future premiums
-/+	Effect of discounting
+	Risk margin according to SII
=	**Total Gross TP according to SII**

The main difference between Solvency II TP Gross and Local GAAP TP Gross is the calculation of premium provision. The main rule in local GAAP follows the 'pro rata temporis' principle (until the next premium date deducted for the corresponding acquisition cost). The primary disparity arises from the reduction by (1 - the claim and expense ratio), which is done in the Solvency II calculation.

Table D.2.4 Reinsurance recoverable

	Local GAAP TP ceded part
+	Deferred acquisition cost ceded part according to Local GAAP
-	Reduction of premium provision calculated as the premium provision multiplied with (1-claim and expense ratio)
-	Expected profit included in future premiums
-/+	Effect of discounting
-	Adjustments for expected losses due to counterparty default
=	**Reinsurance recoverable according to SII**

The main difference between the reinsurance recoverable in Solvency II and Local GAAP is that the counterparty default adjustment is not included in Local GAAP. Normally the calculation of premium provision is the most important difference, but as there is nearly no premium provision at ceded business at year end 2024, this is not relevant.

A specification of the revaluation from local GAAP to SII valuation of technical provision before risk margin is shown below.

Table D.2.5

(in DKK million)	Gross	Ceded
Local GAAP technical provision	**145,5**	**-1,8**
+ Deferred acquisition cost	15,4	0,0
Reduction (1-claim ratio & expense ratio)	4,1	0,0
Expected profit included in future premiums	-1,8	0,1
+/- effect of discounting etc.	-4,3	0,0
Counterparty default adjustment	0,0	2,4
TP according to SII before risk margin	**158,9**	**-2,7**

Risk margin according to SII is calculated based on the standard formula. Risk Margin in local GAAP is calculated based on the previous Risk Margin according to Solvency II.

Matching adjustments
Matching adjustments in accordance with Article 77b, a volatility adjustment pursuant to Article 77d, and a transitional deduction pursuant to Article 308d of Directive 2009/138/EC were not made.

A transitional risk-free interest rate-term structure pursuant to Article 308c of Directive 2009/138/EC was also not used.

Recoverable from reinsurance contracts and special purpose vehicles
The calculation of recoverable amounts from reinsurance contracts is based on the same principles as for the technical provisions. In particular, claims to counterparties, less the agreed payments (for example, reinsurance contributions), must be taken into account among the counterparties. The contractual limits, as well as the consideration of the insurance obligation, are respected. Additionally, the recoverable amounts from reinsurance contracts are to be adjusted for the expected loss due to counterparty default.

Material changes in the reporting period
There were no material changes in the assumptions made in the calculation of

technical provisions during the reporting period.

D.3 Other liabilities

This section provides information regarding the valuation of other liabilities of ERV Nordic for solvency purposes. The following table displays all material liabilities, other than technical provisions, including their Solvency II and Local GAAP values. Subsequently, each class will be presented in detail, outlining the valuation approaches in the solvency balance sheet as well as financial reporting following Local GAAP. An explanation for the differences between the two will be provided.

Table D.3.1

(in DKK million)	SII	Local GAAP
Financial liabilities other than debts owed to credit institutions	0,3	0,3
Deferred tax liabilities	31,4	6,5
Insurance & Intermediaries	21,5	22,0
Reinsurance payables	0,3	0,3
Payables (trade, not insurance)	40,3	42,2
Total Other Liabilities	**93,8**	**71,3**

The following other liabilities were not held by ERV Nordic as of December 31st, 2024:

- Contingent liabilities,
- Provisions other than technical provisions,
- Pension benefit obligations,
- Deposits from reinsurers,
- Derivatives,
- Debts owed to credit institutions, and
- Subordinated liabilities.

Financial liabilities other than debts owed to credit institutions
These financial liabilities consist of lease liabilities, which are measured at the present value of the lease payments that are not yet paid, discounted using the rate implicit in the lease. If this rate cannot be determined, the company uses its incremental borrowing rate. Subsequently, the lease liability is measured at amortized cost using the

effective interest method and is presented as part of the amount shown under "Financial liabilities other than debts owed to credit institutions" within Liabilities. It is re-measured when there is a change in future lease payments, with an adjustment made to the carrying amount of the corresponding ROU asset.

The same method is used for Solvency II and Danish GAAP, and hence no valuation difference exists.

Deferred tax liabilities
Table D.3.2

(in DKK million)	SII	Local GAAP
Deferred tax liabilities	31,4	6,5

Solvency II:
ERV Nordic recognizes, and values deferred taxes in relation to all assets and liabilities, including technical provisions, that are recognized for solvency or tax purposes in conformity with international accounting standards, as adopted by the Commission in accordance with Regulation (EC) No 1606/2002. The methodology for the calculation of deferred tax liabilities follows the requirements of IAS 12. Deferred tax liabilities for Solvency II purposes arise due to temporary differences between the recognition principles of assets and liabilities in the Solvency Balance Sheet and the tax balance sheet values according to local tax regulations.

Local GAAP:
The current tax rate is 25.2% in Denmark and 20.6% in Sweden. The future tax rate in Denmark is expected to be 26% in 2024 and onwards. Deferred tax therefore stands at 26% on all time differences related to Denmark. For all time differences related to Sweden, including the differences between the result reported in the yearly report and the result reported in the tax return, as well as between the book value and taxable value of ERV Nordic's intangible assets, investment assets, operating equipment, technical liabilities, and debts, it is 20.6%.

The tax liability on the contingency reserves is not shown on the balance sheet. Regarding the Danish contingency reserve, the technical provision is not expected to fall further below the level of 70% of December 31st, 1994, where a further decrease of the contingency reserve is required. The Swedish contingency reserve is reported as an untaxed reserve. The calculation is based on a directive from the Swedish Financial Supervisory Authority, which indicates the maximum amount that may be allocated to the contingency reserve, based on written premiums and the provision for outstanding claims. ERV Sweden continuously calculates the maximum scope for provisions. At year-end, the company had utilized the maximum scope and does not expect further releases from the Swedish contingency reserve beyond those made in 2017-2019 and in 2022. The tax liability on the Swedish contingency reserve is not provided in the balance sheet due to no further expected releases.

Difference between SII and Local GAAP
The difference corresponds to the variance in the Solvency II valuation described above and §76 in Danish GAAP. The deviation is primarily caused by deferred tax, totaling DKK 32.9m, on the untaxed Contingency Reserves amounting to DKK 138.6m. The remaining differences are mainly attributed to deferred tax on intangible assets and technical provisions.

Insurance and intermediaries' payables
For both Solvency II and Danish GAAP, insurance and intermediaries' payables are recognized at fair value. Since the methods used are the same, no material valuation differences arise.

Reinsurance payables
Similarly, for both Solvency II and Danish GAAP, reinsurance payables are recognized at fair value. Hence, there are no differences in the values.

Payables (trade, not insurance)
Under Solvency II and Danish GAAP §72, all other liabilities are measured at their fair value. As the methods used are consistent, no material valuation differences arise.

D.4 Alternative valuation methods

ERV Nordic did not use alternative valuation methods in the reporting year.

D.5 Any other information

For the reporting year, ERV Nordic has no other material information to provide.

E. Capital Management

E.1 Own funds

Management of Own Funds
With active capital management, ERV Nordic ensures that its capital adequacy always remains appropriate. Solvency demand and coverage are calculated on a quarterly basis and reported to both the Board of Management and the Board of Directors.

ERV Nordic adheres to a strict capital management policy, outlining the necessity to monitor capital levels and establishing an emergency plan in the event of unforeseen circumstances causing capital levels to fall below thresholds set by the Board of Directors.

Additionally, sensitivity analyses, as defined by the Danish Supervisory body, are conducted quarterly. These analyses determine the extent to which certain balance sheet values can be stressed before ERV Nordic's solvency coverage reaches 125% or 100%, and 125% or 100% in minimum capital coverage. This ensures that existing own funds cover both capital requirements and those set by supervisory authorities.

To achieve these objectives, regulatory and internal capital limit requirements are integrated into the annual planning cycle. During this planning phase, projections of available capital and capital requirements are made. Stress tests are conducted to ensure that ERV Nordic can meet its capital obligations in the event of unforeseen events.

Solvency ratios are also required within the planning process for internal steering purposes and to comply with legal requirements.

Development of solvency situation – Own funds
Table E.1.1 shows Own Funds (OF) and classification according to Solvency II. Note that all capital is classified as tier 1. Hence, all capital can be used to cover both the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR).

Table E.1.1 Eligible own funds

(in DKK million)	2024	2023
Excess of assets over liabilities	**217,4**	**236,0**
Issued capital and capital reserve	10,0	10,0
Foreseeable dividends	0,0	0,0
Basic OF after adjustments - total	217,4	236,0
Eligible OF to meet the SCR - total	**217,4**	**236,0**
EOF thereof - Tier 1 unrestricted	217,4	236,0
Eligible OF to meet the MCR - total	**217,4**	**236,0**

Excess of assets over liabilities have decreased in 2024. This is mainly caused by a decrease in assets from lower cash balance and investment assets caused by extraordinary cost in 2024 towards the merger with ERGO Forsikring AS.

Table E.1.2 Material differences between the equity shown in the financial statement and Eligible own funds according to Solvency II.

(in DKK million)	2023	2024
Total capital and reserves, according to annual report	263,6	278,9
Intangible assets	-9,4	-16,1
Deferred tax liability at Contingency reserve	-31,4	-32,9
Lower technical provision in SII, net	-12,6	4,6
Deferred tax at technical provision above	3,0	-1,1
Deferred tax at software	2,1	3,7
Different valuation of affiliated companies in SII	0,0	-1,1
Different valuation of associated companies in SII, net of tax	0,0	0,0
Change in deferred tax associated companies	0,0	0,0
Other minor valuation differences not specified	2,2	0,0
Proposed dividend for the financial year	0,0	0,0
Eligible own funds (SII)	**217,4**	**236,0**

An explanation of the valuation differences can be found under section D1, D2 and D3.
ERV Nordic does not have any own funds item that is subject to the transitional arrangements referred to in Articles 308b (9) and 308b (10) of Directive 2009/138/EC.

ERV Nordic does not have any ancillary own funds as mentioned in article 297 (1g) in the Regulation 2015/35.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Solvency Capital Requirement (SCR) of ERV Nordic is calculated using the standard formula as defined in the Solvency II regulation.

The SCR as of yearend 2024 was DKK 113,7m, while the minimum capital requirement (MCR) was DKK 41,5M. Table E.2.1 shows the SCR and risks for the various submodules.

Table E.2.1 SCR, split by risk module, calculated according to the standard formula

(in DKK million)	2024	2023
Market risk	38,3	39,5
Counterparty default risk	7,2	6,5
Health underwriting risk	61,8	90,9
Non-life underwriting risk	94,7	92,1
Diversification	-66,5	- 77,4
Basic SCR	**135,4**	**151,7**
Operational risk	9,7	10,0
Loss-absorbing capacity of deferred taxes	-31,4	- 33,7
SCR	**113,7**	**128,0**
MCR	**41,5**	**41,7**
Solvency Ratio	**191%**	**184%**

Compared to 2023, the yearend 2024 SCR has decreased by DKK ~14m. The main driver of the decrease is health underwriting risk, which is decreasing due to a more accurate calculation approach for calculating the number of insured for the pandemic and mass risk modules.

The ERV Nordic solvency ratio has increased 4 percentage points compared to that of yearend 2023. This is due to the decrease in SCR offsetting the decrease in eligible own funds.

Minimum Capital Requirement

Table E.2.2 Calculation of the MCR

(in DKK million)	2023	2024
Linear MCR	41,5	41,7
SCR	113,7	128,0
MCR cap (45% of SCR)	51,2	57,6
MCR floor (25% of SCR)	28,4	32,0
Combined MCR	41,5	41,7
Absolute floor of the MCR	29,8	29,9
MCR	**41,5**	**41,7**

The MCR of ERV Nordic is determined according to Articles 248-253 of the Solvency II regulation.

The MCR as of yearend 2024 has decreased compared to the MCR as of yearend 2023. This is a result of the decrease in the SCR and input risks.

Simplified calculations

No simplified calculations have been made pursuant to Chapter III, Section 6, of the Commission Delegate Regulation (EU) 2015/35 of 10 October 2014.
ERV Nordic does not use any undertaking-specific parameters pursuant to Article 104(7) of Directive 2009/138/EC.
ERV Nordic has no use of the option provided for in the 3rd subparagraph of Article 51(2) of Directive 2009/138/EC.
ERV Nordic has not applied any undertaking-specific parameters pursuant to Article 110 of Directive 2009/138/EC.

E.3 Use of the duration-based equity risk sub-module in the calculation of the SCR

ERV Nordic did not use a duration-based equity risk sub-module in the calculation of the SCR in the reporting period.

E.4 Differences between the standard formula and any internal model used

ERV Nordic did not use an internal model in the reporting period.

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

ERV Nordic complied with both the MCR and SCR in the reporting period.

E.6 Other Information

ERV Nordic has no other material information to provide.

Appendix

Følsomhedsanalyse SCR, 2024 Q4

			SCR 125 pct.			SCR 100 pct.			
			Stress (Pct.)	Kapitalgrundlag kr.	Solvensdækning (Pct.)	Stress (Pct.)	Kapitalgrundlag kr.	Solvensdækning (Pct.)	Valuta
1.	Renterisici		2,0%	208.593.984	183,5%	2,0%	208.593.984	183,5%	
2.	Aktierisici		-100,0%	204.663.158	185,0%	-100,0%	204.663.158	185,0%	
3.	Ejendomsrisici		-96,1%	127.838.036	125,0%	-100,0%	123.558.404	121,1%	
4.	Kreditspændsrisici	Danske statsobligationer mv. jf. § 5, nr 4) a)	-100,0%	211.085.021	185,8%	-100,0%	211.085.021	185,8%	
		Øvrige statsobligationer mv. jf. § 5, nr. 4) b)	-100,0%	212.645.405	187,1%	-100,0%	212.645.405	187,1%	
		Øvrige obligationer jf. § 5, nr. 4) c)	-100,0%	177.140.890	157,1%	-100,0%	177.140.890	157,1%	
5.	Valutaspændsrisici	Eksponering 1	-100,0%	199.473.595	177,6%	-100,0%	199.473.595	177,6%	SEK
		Eksponering 2	-100,0%	214.263.826	188,9%	-100,0%	214.263.826	188,9%	NOK
		Eksponering 3	-100,0%	216.288.855	190,4%	-100,0%	216.288.855	190,4%	USD
6.	Modpartsrisici			207.443.968	104,3%				
7.	Levetidsrisici		0,0%	0	0,0%	0,0%	0	0,0%	
8.	Livsforsikrings-optionsrisici		0,0%	0	0,0%	0,0%	0	0,0%	
9.	Skadesforsikrings-katastroferisici		0	0	0,0%	0	0	0,0%	

Følsomhedsanalyse MCR, 2024 Q4

			MCR 125 pct.			MCR 100 pct.			
			Stress (Pct.)	Kapitalgrundlag kr.	Minimumsdækning (Pct.)	Stress (Pct.)	Kapitalgrundlag kr.	Minimumsdækning (Pct.)	Valuta
1.	Renterisici		2,0%	206.101.839	497,1%	2,0%	206.101.839	497,1%	
2.	Aktierisici		-100,0%	201.062.319	485,0%	-100,0%	201.062.319	485,0%	
3.	Ejendomsrisici		-100,0%	108.258.255	261,1%	-100,0%	108.258.255	261,1%	
4.	Kreditspændsrisici	Danske statsobligationer mv. jf. § 5, nr 4) a)	-100,0%	209.295.476	504,8%	-100,0%	209.295.476	504,8%	
		Øvrige statsobligationer mv. jf. § 5, nr. 4) b)	-100,0%	211.295.970	509,7%	-100,0%	211.295.970	509,7%	
		Øvrige obligationer jf. § 5, nr. 4) c)	-100,0%	165.777.361	399,9%	-100,0%	165.777.361	399,9%	
5.	Valutaspændsrisici	Eksponering 1	-100,0%	194.409.034	468,9%	-100,0%	194.409.034	468,9%	SEK
		Eksponering 2	-100,0%	213.370.867	514,7%	-100,0%	213.370.867	514,7%	NOK
		Eksponering 3	-100,0%	215.967.059	520,9%	-100,0%	215.967.059	520,9%	USD
6.	Modpartsrisici								
7.	Levetidsrisici		0,0%	0	0,0%	0,0%	0	0,0%	
8.	Livsforsikrings-optionsrisici		0,0%	0	0,0%	0,0%	0	0,0%	
9.	Skadesforsikrings-katastroferisici		0	0	0,0%	0	0	0,0%	

Abbreviations

AF	Actuarial Function
BoD	Board of Directors
BOF	Basic own funds
BoM	Board of Management
CEO	Chief executive officer
CF	Compliance Function
CFO	Chief financial officer
COO	Chief operating officer
CSO	Chief sales officer
EOF	Eligible own funds
IAF	Internal Audit Function
ICS	Internal Control System
LoB	Line of Business
MCR	Minimum Capital Requirement
OF	Own funds
ORSA	Own Risk and Solvency assessment
PLA	Profit & Loss attribution
QRT	Quantitative Reporting Templates
RMF	Risk Management Function
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report