

## **BlueRe m.a.**

### **Solvency and Financial Condition Report ("SFCR")**

2023



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The new, harmonised EU-wide regulatory regime, known as Solvency II, came into force with effect from 1 January 2016. The regime requires reporting and public disclosure arrangements to be put in place by insurers and some of them are required to be made public. This document will be made public on the BlueRe website.

The SFCR covers the Business and Performance of BlueRe, its system of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management. BlueRe is required to hold sufficient assets to match its liabilities at all times while at the same time be committed to high governance standards. A primary responsibility of the Board is to ensure that eligible capital is adequate to cover the required solvency for the nature and scale of the business.

**07/04/2023**

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## SUMMARY

### Performance

BlueRe m.a. activities remain to provide reinsurance coverages for the third-party liability.

The gross earned reinsurance contributions have increased from 2.554 k€ in 2021 to 7.696 k€ in 2022.

The total net claim loss for the period is 0 k€ versus 0 k€ in 2021.

The reinsurance balance results in a cost of 0 k€ in 2022 versus 0 k€ in 2021.

The financial result has decreased from -7 k€ in 2021 to -338 k€ in 2022.

### Solvency and Financial condition

BlueRe confirms its financial strength with a solvency ratio of 127% as at 31 December 2022, as a result of a Solvency Capital Requirement of 14 045 k€ covered by Eligible Own Funds of 17 851 k€.

With a moderate risk appetite BlueRe confirms its ability to provide reinsurance with a strong governance and high-quality service. The main risk areas according to Solvency II standards remain the underwriting risk and the market risk (modular cost of capital approach). High levels of monitoring enable to remain within the ranges defined by the risk appetite framework.

## A. Business and Performance

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### 1. Business

The object of the Association is to reinsure, excluding all direct insurance operations:

- ELINI in the strict context of third party liability within the scope of and limited to civil liability in the field of nuclear energy, as specified in the national legislations of countries where the Paris Convention signed on July 29th 1960 (as amended from this time) or the Vienna Convention signed on May 21st 1963 (as amended from this time) is applicable or as specified in the national legislation of countries where the Paris or Vienna Convention is not applicable but which apply the same principles in their national legislation;
- any (re)insurance company, including captives, mutual associations and (inter) national nuclear pools, with respect to the insurance policies taken, in the same strict context as referred to in the previous indent, by one or several members of the Association with such;
- captives, associations or pools, provided that such members are also at least partially insured in said context with ELINI;
- The reinsurance provided referred to by this article is to be understood in excess of ELINI's capacity and on an excess and / or quota share reinsurance towards the net underwriting capacity provided by the other non-voting members, where appropriate on a Difference in Conditions and / or Difference in Limits basis.

BlueRe is established in Luxembourg, regulated and supervised by the Commissariat aux Assurances ("CAA").

### ***Statutory Auditor***

BlueRe is required to have its annual accounts audited by one or more registered auditors amongst the members of the Luxembourg Institute of Registered Auditors. The Statutory Auditor conducts his audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that they comply with ethical requirements and that they plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

The Statutory Auditor and his remuneration are to be appointed for a period of 1 year by the Annual General Meeting on recommendation of the Board of Directors. The Mutual informs the Luxembourg authority of the nomination. Within the Mutual, the statutory auditor reports in writing to the Managing Director and the Audit Committee.

Deloitte Audit - Represented by Mr. L. Bardon, Statutory Auditor  
20, Boulevard de Kockelscheuer L-2220 Luxembourg

**Principle: Acceptance of Members**

Acceptance of a new member shall be subject to the following conditions which all have to be fulfilled:

According to article 7 of the Articles of Association:

- a) Only companies or other entities in the private or public sector of operating / controlling / owning / (re)insuring nuclear energy installations and having an insurable interest, in the strict context as referred to by Article 3 § 1 first indent of the Articles of Association, under ELINI or their representatives can be accepted as member of the Association.
- b) Approval of the new member by the Board of Directors applying such criteria as may be set by the General Meeting from time to time.
- c) Acceptance of the new member by the General Meeting with the majority as foreseen by Article 14 § 3 of the Articles of Association.
- d) Payment by the prospective member of a contribution to the initial fund of which the amount will be fixed by the Board of Directors and which will be at least equal to the amount paid by the signatory members increased by accumulated Euribor 3 months.
- e) The new member's unreserved acceptance in writing of these Articles of Association.

**Principle: Adequacy of Members**

Each of BlueRe's voting Members is an important player on the international energy market and is therefore submitted to intensive surveillance by national and international authorities. Due to their size and (self)-control, BlueRe considers its voting Members as being reliable and financially sound. The assessment of a candidate voting Member, effectuated by the Engineers of the ceding companies, is also used in the BlueRe membership process.

Membership is submitted to the Board of Directors and becomes effective after approval by General Meeting. New voting Members have to contribute to a sound and prudent management in BlueRe as well as to the stability of the financial institution and its development on a going concern basis. Payment by the prospective member of a contribution to the initial fund of which the amount is fixed by the Board of Directors and which is at least equal to the amount paid by the signatory members increased by accumulated Euribor 3 months.



Each Member having taken part in the constitution of the initial fund, or of the guarantee fund shall have one vote. Each Member using the reinsurance capacity of the Association by means of ELINI shall have a second vote increased with an additional vote (rounded off upwards as of 0,75) for each € 500.000 of gross premium paid at ELINI for the most recent past insurance year; provided, however, that no Member will be allowed votes which represent more than 20 % of the total voting power. Non-voting Members have no voting rights. Because every Member is treated equally, there are no controlling Members even though each Member has got different participations in the funds. A complete list of the Members is published yearly in the annual report and the C.A.A. is informed on a regular basis.

This transparent membership structure and the fact that membership contracts are signed on an individual basis, helps to protect the Mutual against agreements between Members to act jointly or to meet separately and unofficially. To BlueRe's knowledge, no arrangements between Members, relating to the relation between Members on the one side and the Mutual on the other side, exist.

BlueRe encourages its voting Members to participate at the Members Meetings. In order to facilitate this, agendas and all other relevant information are sent in advance of the Members Meetings. During the meeting, the Board of Directors presents a management report and financial overview of the latest financial figures. The General Meeting acts by simple majority of votes if quorum is reached unless for those cases stated in the Articles of Association where the approval is needed of three-quarters of the Members.

The Annual General Meeting, according to Article 10 of the Articles of Association, must meet on the last Thursday of April at the registered office in Luxembourg or at any other place fixed by the Board of Directors. Written minutes of the AGM are drafted and adopted during the meeting itself.

## 2. Underwriting performance

The premium income has increased by 201% in 2022 and the volume of claims has been null. As a consequence, the technical result is positive.

The following table provides the detailed figures for the only line of business:

<b>Underwriting performance - Non proportional casualty</b>		
<b>k€</b>	<b>2022</b>	<b>2021</b>
Gross written premiums	7 696	2 554
Gross earned premiums	6 071	2 527
Other technical income	0	0
Cost of claims, gross	0	0
Operating expenses	-542	-308
Reinsurance balance	0	0
<b>Technical result</b>	<b>5 530</b>	<b>2 219</b>

### 3. Investment performance

The following table provides the investment performance under Lux GAAP and excludes any unrealized profit/loss which is exposed in part D. of the document.

Investment performance		
k€	2022	2021
Investment income	9	0
Investment expenses	-347	-7
<b>Financial result</b>	<b>-338</b>	<b>-7</b>

The investment income has increased in 2022 whereas the expenses have increased, resulting in a negative result.

### 4. Performance and other activities

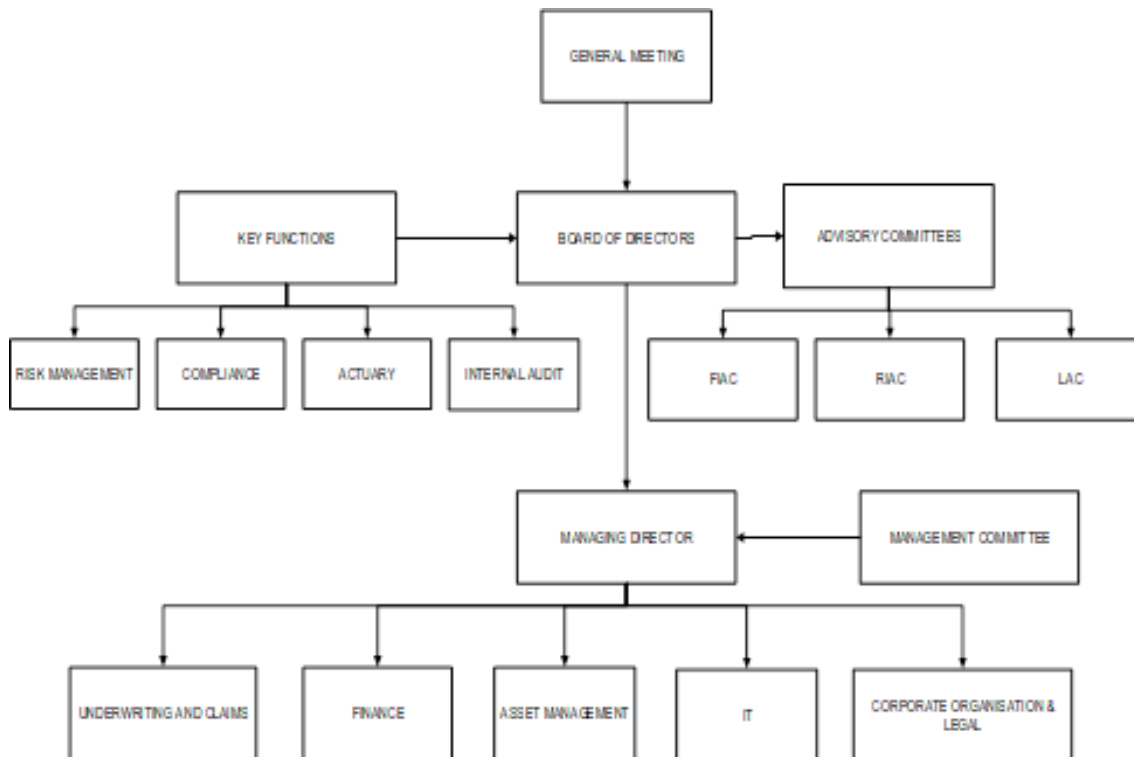
BlueRe has currently no other activity than those mentioned above.

### 5. Any other information

There is no other material business information to be reported.

## B. System of governance

### 1. General information on the system of governance



### Principle: Adequate management structure

In line with the best practice on sound governance; BlueRe maintains independency between the supervision of management and the management itself. The supreme management body of the Association is the General Meeting that has delegated its powers to the Board of Directors, who in his turn has entrusted the day-to-day management of the Mutual to the Management Committee.

To enhance efficiency, the Board has set up Advisory Committees in charge of analysing specific issues. These Committees have only an advising function as the decision-making and risk appetite remain the responsibility of the Board.

### General Meeting

The General Meeting is composed of all the voting Members of the Association. The Annual General Meeting meets annually the last Thursday of April at the registered office in Luxembourg

or at any other place fixed by the Board of Directors and designated in the notice convening the meeting from among the members of the meeting..

Additionally, a General Meeting is convened by the Board of Directors when a Members' decision is legally and/or statutory required as described in the Articles of Association.

Members shall be represented directly at General Meetings by a person duly authorized for that purpose.

Any General Meeting shall be chaired over by the Chairman of the Board of Directors, or in his absence, by a Vice-Chairman or, in their absence, by another Director, who is not a member of the Management Committee, selected by his co-Directors. The Chairman of the Meeting shall designate the Secretary and choose two scrutineers from among the members of the meeting.

### **Board of Directors**

The Annual General Meeting nominates the Board of Directors for a three-year period but can dismiss them at any given time. On completion of their three years period of office, Directors shall be eligible for re-appointment. According to the Articles of Association, the Board of Directors is composed out of at least 5 Directors.

The C.A.A. is informed of any new candidates who get (re)nominated and who resign within the 2 weeks

.

Amongst the Directors and non-executive Directors following competences should be present:

- Actuarial / Solvency experience;
- Underwriting market experience;
- Claims handling experience;
- Legal background in relation with (re)insurance legislation and regulations;
- Financial / investment background;
- Corporate governance background;
- Human resources knowledge;
- Compliance & audit.
- Management of risks

Every candidate is assessed before (re)election on the following requirements:

- His/her professional qualifications, knowledge, skills and experience are adequate to enable sound and prudent management (fit);
- He/she is of good repute and integrity (proper).

Missing skills should be taken into account in order to maintain a sound composition.

The competence/skills of every director shall be reevaluated when resigning or at least every 3 years or when a major change of activity program occurs.

The information required to do so are included in the Internal Procedure Manual under the chapter of the Board of Directors.

Annually, the Board of Directors performs a self-assessment according to written principles and actions to be taken in case of a negative evaluation.

Minutes, of the conclusions as well as of the measures taken in order to improve the efficiency of the governance structure, are recorded of every meeting and signed off by the Chairman. Copies and extracts of the minutes shall be signed by the Chairman or by one of the members of the Management Committee.

Directors receive no remuneration for their commitment except the Independent Directors who receive an annual attendance fee. Board members, travelling on BlueRe business will be reimbursed for travel expenses according to the Board expense policy.

Non-Executive Directors may have other mandates in other companies. All other mandates shall be notified by written to the Board. Executive Directors are only authorized to take on additional Non-Executive mandates or other Executive mandates in companies in the insurance sector.

### **Management Committee**

The Management Committee is entrusted by the Board with the day-to-day management within the framework of the general policy of the Association and in accordance with the laws and regulations in force. The Management Committee is responsible for the execution and management of the outcome of all Board decisions. This structure is set up in line with the limited size of BlueRe however, it still has a desire to improve its functioning by regular and adequate self-assessment.

The Management Committee is a board acting jointly and collegially. It may delegate various tasks amongst its members, although they always remain jointly and collegially responsible.

At least the Managing Director is also member of the Board of Directors. The members of the Management Committee cannot become the majority in the Board of Directors.

Special powers can be determined and granted by the Board of Directors to the members of the Management Committee or to certain members of staff.

In line with the fit and proper requirements applicable by the fit and proper policy, the Management Committee performs annually a self-assessment.

### **Advisory Board Committees**

The Board appoints and dismisses the delegated members of the specialized Board Committees in charge of advising the Board: The Financial Investment & Advisory Committee (FIAC), the

Reinsurance Advisory Committee (RIAC) and the Legal Advisory Committee (LAC). The existence of the Committees does not decline the overall responsibility of the Board. Board Committees provide advice and support in their field of expertise by making written recommendations towards the Board of Directors.

All Advisory Board Committees have charters that explain their purpose and their role including the responsibilities of the Committee towards the Board of Directors as advisory body. Each Charter is yearly evaluated and when necessary, suggestions on amendments to the Committee's Charter are made to the Board for approval.

Committee members are nominated by the Board of Directors for their experience in the specific areas of the Committee they take part in. Every Committee consists of a mix of Board members, representatives of voting members to ensure execution and communication on every level of the Association. In line with the fit and proper requirements, the Advisory Board Committees perform annually a self-assessment.

After each meeting, the Board of Directors is informed of discussions through the circulation of written minutes. The Board also receives in the written minutes the Committee's recommendations for approval. Committee members, travelling on BlueRe business will be reimbursed for travel expenses according to the Committees expense policy.

In line with the fit and proper requirements, every Committee performs annually a self-assessment. The self-assessment form is yearly circulated in October in order to enable to report on the outcome to the Committee and the Board of Directors scheduled in March of the next year.

### **Principle: remuneration**

BlueRe's overall remuneration system has been designed to deliver compensation, driven by both mutual and individual performance, and according to its Members' interests. The focus will be on long-term performance and will be aligned to market levels. Our principles are inspired by the Financial Stability Board principles for sound compensation practices.

Board Members as well as Executive Directors receive no remuneration. Only Independent Directors receive a fixed cash amount per year which is approved by the General Meeting for the current financial year. No variable nor incentive programs are included for any Board member.

Members of Advisory Committees receive no additional compensation, fixed or variable, for their contribution to the Mutual.

Actual expenses in connection with Board and Committee meetings are reimbursed.

Members of the Management Committee receive no additional compensation, fixed or variable, for their contribution to the Mutual.

Staff is employed on a contractual basis. Their remuneration is subject to annual reassessment. A desire to ensure that BlueRe is able to attract and retain personnel with the best possible qualifications and the existence of sound succession plans have a decisive influence on the remuneration. The compensation package consists of two integrated elements: a base pay and an annual pre-agreed, personalized incentive bonus.

Base salary levels are designed to compensate staff for their responsibilities and their experience. Market levels for comparable positions are targeted for the base pay and the base pay levels are subject to regular reviews.

The annual incentive bonus recognizes and rewards individual performance as well as team performance but is never a substantial proportion of the compensation package. The funding levels for the annual incentive bonus are dependent upon non-financial criteria such as personal development and contribution to an improved Member-relationship. Bonuses are not guaranteed because they are not consistent with the pay-for-performance principle.

Annually, the Managing Director will present the total remuneration package to the Chairman of the Board of Directors for approval. He will conduct an independent review on the suggested bonuses and the proposed compensation policy for the next year.

Key/critical functions that are outsourced will follow the outsourcing policy and the outsourcing process in which a market competitive remuneration assessment is included.

## 2. Fit and proper requirements

Two standards of evaluation are central for the fit and proper policy:

### 1) Expertise (« fitness »):

A person is considered as being expert ("fit") for a specific function when he / she combines knowledge and experience, skills and the professional behaviour required for the function in question.

### 2) Professional worthiness (« properness »):

The professional worthiness concerns the honesty and the integrity of a person. A person is considered as professionally honourable ("proper") in the absence of indicating elements the opposite and when there is either no reason for questioning reasonably the good reputation of the person involved. In other words, we can leave the principle that the person will execute in an honest, ethical and integrate way the tasks which are assigned to him (her).

This policy applies to all people occupying critical functions in BlueRe. The critical functions are the following:

- The members of the Board;
- The members of the Management Committee;
- Four key functions defined in the Directive Solvency II: Actuarial, Compliance, Risk Management and Internal Audit Function;
- Any other function which BlueRe would estimate as critical for the smooth running of the company either internal or external.

Critical functions should have the necessary professional expertise, the skills and the worthiness to be able to perform their functions. The same requirements apply to the holders of any critical outsourced function.

"Fit and proper" implies a thorough process of evaluation which allows to obtain, by means of various relevant elements, the most complete possible image of the capacity of a person for a determined function. The evaluations concerning, on one hand, the expertise and, on the other hand, the professional worthiness of a person, are complementary.

The available information which can support a "fit and proper" file is always used and balanced according to their relevance and to their importance compared with the responsibilities. Several weighting factors allow not granting the same importance for all the elements of the case. BlueRe takes into account following weighting factors:

- The gravity of the information in the light of the objectives of the prudential control;
- The seniority of the information;
- The attitude and/or the motivation of the concerned person with regard to the information;
- The combination of available information.

A global overview of histories and available information allows to obtain a less static and precise image of the functioning of the person. The combination of the information gives an idea of the way of functioning and/or the carelessness of a person and can lead to the conclusion that the interested is not considered (any more) as being capable or has to improve its expertise on a very precise point.

The evaluation of capacity takes place as in principle before the entry in a function or during a change of function.

### **Principle: Qualities required of the Mutual's officers in key functions**

It is important that BlueRe has officers in key functions that collectively and individually have an adequate profile to lead the Association.

BlueRe shall notify the C.A.A. in advance of any proposed appointment or dismissal of mutual officers in key functions. This notification will mention the applicable internal rules. Also, the



Association will inform the C.A.A. of any changes in the distribution of tasks among company officers.

### **Principle: Independent key functions**

Key Functions play a critical role in lending independent credibility to statements used by internal and external stakeholders. While any consideration of the effectiveness of the function involves a wide variety of issues, it is fundamental to private and public confidence that the key function operates in an environment that supports objective decision-making on issues that have a material effect. In other words, the key function must be independent in both fact and appearance.

Standards of independence are promoted in BlueRe to ensure an environment in which the key function is free of any influence, interest or relationship that might impair professional judgment or objectivity.

The governance structure of BlueRe plays an important role in monitoring and safeguarding the independence of key function. The Board of Directors and advisory committees guarantee an environment that permits the key function to carry out its responsibilities free of any unreasonable restraints. The Board of Directors and/or advisory committees meet on a regular and frequent basis with the key function and discuss any contentious issues that have arisen without the necessity that management is present.

When appointing or reappointing a key function, the Board of Directors and/or advisory committees acknowledge that the candidate is independent in accordance with applicable standards.

### **3. Risk management system, ORSA process and risk management function**

#### **Principle: Risk Management System**

The appetite for risk represents the underlying foundation of any effective Risk Management System. Understanding risk appetite helps Boards and Management to make better strategic and tactical decisions. It enhances understanding of Board and stakeholder expectations and enables risk-reward decision-making. It reduces the likelihood of unpleasant surprises.

The ability to take on risks is determined by more than just a capacity to absorb losses. The ability to manage risks based on skill sets and experience, systems, controls and infrastructure is also crucial. Understanding risk appetite helps in the efficient allocation of risk management resources across a risk portfolio, and may enable the pursuit of business opportunities that, without an understanding of the appetite, would otherwise be rejected.

The Risk Appetite Framework (RAF) is defined as being the overall approach, including policies, processes, controls, and systems, through which risk appetite is established, communicated, and monitored. It includes a risk appetite statement, risk limits, and an outline of the roles and responsibilities of those overseeing the implementation and monitoring of the RAF.

We define the risk appetite as being the nature and quantity of risks that BlueRe is ready to accept or to tolerate in the pursuit of its strategic objectives, taking into account the expectations of the stakeholders.

The risk tolerance defines the maximum amount of risk (bearing activities) needed to achieve all the organisational strategic objectives while simultaneously remaining compliant with the stakeholder's expectations.

The risk target is the optimal risk level to achieve the strategic objectives with respect of the tolerance limits.

The Board delegates to the Management Committee the responsibility of implementing adequate risk management processes and policies to ensure risk management is correctly embedded within all operations and in all departments. The Board and Management Committee are assisted in this task by the Risk Manager.

BlueRe's Risk Management Policy, its Risk Management System and ORSA are to be reviewed by the Board at least annually. The review will be based on input provided by the Risk Manager and Management. More regular reviews may be undertaken when required or when there is a material change in the business or risk profile of BlueRe or where a risk issue which raises doubts about the effectiveness of the Risk Management System has been identified.

### *Specific guidelines for each risk*

BlueRe's Risk Management system, based on a top-down as well as bottom-up approach, covers all existing as well as evolving risks that have the potential to materially impact the adequacy of its financial resources, the volatility of its results or its ability to meet its commercial, legal and regulatory obligations. These risks include, but are not limited to, the following:

Insurance risks refer to the risk of loss, or adverse change in the value of insurance liabilities, due to inadequate pricing and reserving practices. These risks may be caused by the fluctuations in timing, frequency and severity of insured events and claim settlements in comparison to the expectations at the time of underwriting.

Market risk is the risk of loss or adverse change in the financial position due to fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments. This risk may be caused by fluctuations in foreign exchange rates, interest rates or equity, market liquidity, property and securities values.

Credit risk is the risk of loss or adverse change in the financial position due to fluctuations in the credit standing of issuers of securities, reinsurers, counterparties or any other debtors.

Operational risk, including compliance risk, refers to the risk of loss arising from inadequate or failed internal processes, people, systems, or from external events. This risk encompasses all

functions rendered during conducting business, including strategy and business planning, underwriting, reinsurance purchasing, reserving, claims management, accounting, investments, treasury, information technology, legal and regulatory, and financial reporting functions.

Liquidity risk is the risk of a loss or inability to realise investments and other assets in order to settle financial obligations when they fall due.

Strategic risk is the risk of the current or prospective impact on earnings or capital arising from adverse business decisions, improper execution of decisions made, or lack of responsiveness to industry changes. Strategic Risk includes risks relating to accessing / raising capital, capital allocation, competition and maintaining ratings.

Reputational risk is the risk of potential loss through a deterioration of BlueRe's reputation or standing due to a negative perception of its image among members, counterparties, shareholders or supervisory authorities.

Emerging risks refer to risks that do not currently exist or are not currently recognised but have the potential to materially impact the adequacy of BlueRe's financial and operational resources, the volatility of its results and expected financial income or its ability to meet its commercial, legal and regulatory obligations following changes in the environment.

Not all quantifiable risks have been explicitly formulated in the standard formula; furthermore, for some risks, it is generally assumed that the exposure is at all times not material enough and therefore a SCR quantification within the context of a standard formula would not be proportionate.

Finally, for some risks it would be inappropriate to cover them through pillar 1 capital requirements, but these should be covered instead through pillar 2 requirements and in particular Risk Management System requirements for appropriately monitoring and disclosing the risk profile of BlueRe.

### **Risk Reporting System**

Risk reporting is integral to BlueRe's management information system and takes place at several different levels throughout the business. It provides senior management, the Board and other stakeholders (e.g. regulators, rating agencies) with sufficient information to enable them to assess (1) the actual level of risk taken by the business compared with the desired level of risk agreed in the business plan and (2) the effectiveness of the control environment.

The Risk Manager will report to the Board of Directors at least annually. The Management Committee is informed at least monthly. The Risk Management function will annually disclose a risk management report as well as for the year to come a risk management plan.

The Management Committee will report to the Board at least yearly on its assessment of material risks and on any significant changes to the overall risk profile of the company including actions being taken to mitigate or control key risk exposures. It reports also on the failures in relation to the risk appetite and precises if that is an asset or a liability breach.

### **Implementation process**

An effective governance system requires written policies embedding the governance processes. Risk management is therefore well described within BlueRe. Key reference documents are Procedure manual, Memorandum Corporate Governance and Risk Management policy.

Risk reporting is not a stand-alone item. For example, there is a nature flow towards the ORSA starting from budget and Business Plan towards the SCR calculation. The details and content of the ORSA process is described in the specific ORSA document.

### **Risk Management function**

The Board of Directors and Management Committee decide on the risk strategy and on the design of the risk structure. The Risk Management function, deploys practices to identify, assess, monitor and mitigate various risks to BlueRe's business. Because risks are not limited to one department, the Risk Management function carries out his duty throughout the Association.

The Risk Management function regularly reports to the Management Committee and Board of Directors on the effectiveness of his assessments. In his reporting, the Risk Management function identifies those risks which require attention and proposes adequate risk treatments.

The Risk Management function is a key function and has to be fit and proper by performing an annual self-assessment.

### **Principle: ORSA process**

The ORSA process seeks to draw together considerations of risk, capital and returns within the context of the overall business strategy, both in the present and the future, providing a holistic view of the capital, risk and return over the forecast period.

The ORSA process is used to:

- Ensure there is sufficient capital available to meet the current business requirements (Solvency II compliance);
- Determine the supplementary capital required to meet the growth and diversification plans and other strategic decisions;
- Ensure that any risks that exceed the risk appetite are identified, assessed and if required the remedial action plan in place;
- Provide assurance to the Board, financial regulators and other stake holders that risk management and capital planning processes are embedded within the business.

BlueRe performs an ORSA at least annually or when the risk and solvency profile significantly changes. The risk profile is continuously monitored against the risk appetite and periodically reported by the Risk Manager.

The overall purpose for the ORSA assessment is to ensure that we can continuously meet our current and planned future regulatory targets and internally set capital target, in the face of planned changes to the risk profile and business plans, and expected development in the external environment.

As a management tool, it is designed to embed risk awareness within the business culture and decision making. It is integral to the successful delivery of the overall strategic plan as it provides the management with a good understanding of the risk it is assuming and the capital required to cover those risks. It must be treated as a management process rather than a compliance exercise.

### *Time Horizon*

The time horizon of the ORSA is fixed to 5 years, same horizon used in the strategic business plan. The strategic business plan is the Base scenario of the forecasted P&L and Balance Sheet. For the solvency projections in ORSA, best estimates, market value balance sheet and SCR from Pillar I calculations are used as starting point.

### *Scenario-stress testing*

The Strategic Business Plan (SBP) figures will be used for projection of the technical provisions and cash flows in and out. The calculation of the projected SCR can then be done. The final result is the “Base Case” and gives the expected capital needs/surpluses.

Besides the base scenario, we analyse also the effects of adverse developments on its solvency position. This is done with the help of scenario analysis and stress testing: a scenario analysis is defined by assessing the impact of a combination of factors. Stress testing is an extreme scenario that crosses the boundaries of the SCR-MCR.

### 4. Internal control system

The permanent internal control system has to lean on an analysis and a measure of the risks, regularly updated, by every person in charge of business units (which are risk owners).

Every stakeholder within BlueRe has an internal control responsibility. The Board of Directors is responsible for promoting a high level of integrity and for establishing a culture within the Association that emphasises and demonstrates to all levels of personnel the importance of internal control. Management is responsible for the implementation of the internal control principles. It is therefore essential that everyone, included all personnel, understands the importance of internal control and engages actively in the process according to their responsibilities and specific duties.

For the identification and description of risks, BlueRe has focused on key risks and on management related controls that mitigate those risks. BlueRe’s key risks definitions are based on existing

information such as different control reports and regularly self-assessments. To lead to an efficient identification of those controls, interviews were conducted with every member of the Management. All this information has come together in a working document referred to as BlueRe's risk log.

The risk log identifies BlueRe's key risks. The management crosschecks the type of risk with existing control measures to see how they are currently mitigated. This exercise is performed at the end of each year and in preparation for the year to come.

In the risk log, BlueRe additionally estimates the potential loss given default of each risk category in case the risk should occur. In order to quantify each individual risk, BlueRe therefore combines two parameters which are the probability of occurrence and the (financial) loss impact. Furthermore, an evaluation is made on the effectiveness of the current controls so that the Association can target threats and plan actions where needed.

Finally, BlueRe emphasises that risk awareness is a priority of every member of staff.

### ***Policies and procedures***

Policies and procedures are instruments of organization and control that contribute to the realization of the fixed objectives. They have to be in adequacy with the various identified, easily accessible risks and be the object of communication and adequate trainings. They must also be updated regularly. The risk owners are responsible for the maintenance of processes and procedures.

### ***Control plans***

Internal control processes occur throughout the entire organisation, at all levels and in all functions, since everyone in BlueRe bears responsibility in internal control. Focus will be on "at the top" perspectives, but adequate controls must exist and understood in all departments and by all employees with access to control mechanisms. BlueRe uses the four eyes principle to protect itself against mistakes and dishonesty in day-to-day management and outgoing payments and communication.

The Management Committee takes all necessary internal control measures to ensure that all the divisions of the Association have job descriptions with clear responsibilities. The Management Committee is responsible for implementing the risk management strategy and designing the structure, so it is integrated into the organisational structure.

### ***Reporting and recommendations***

The reporting is the responsibility of the Risk management function.

Further to a report on a situation of failure or inefficiency or an evolution of the permanent control, various participants can emit a recommendation (the Supervisor, the Statutory Auditor, the Internal Auditor) or introduce an action of correction / prevention. The impulse of actions of correction or prevention and their follow-up are the current responsibilities of the management. The level of formalization in the action plan possibly implemented and its follow-up must be proportioned at the incurred risk, at the difficulty of implementation, at the desire at the risk of the Mutual.

### Compliance function

The compliance function carried out by the Compliance Officer, assesses the conformity of codes of conduct and procedures in relation to the policy of ethics in the Association. These rules arise from BlueRe's own integrity policy as well as from its legal status and other regulatory provisions to identify and evaluate compliance risks.

The responsibility for compliance within the organisation is defined at four levels:

- the Board of Directors is responsible for defining the compliance principles to which the Association has to adhere;
- the Management Committee being in charge of the daily management of the Association is jointly responsible for implementing a compliance policy and a permanent compliance function;
- the Compliance Officer must identify and assess the compliance risks, supervise the implementation of applicable laws and establish appropriate compliance checks and controls;
- at operational level, compliance is the responsibility of all staff members through adherence to applicable laws and the internal policies, standards and procedures.

Appropriate measures have been taken to ensure the objectivity and independency of the compliance function.

The Compliance Officer informs the Board of Directors in writing at least once a year regarding the situation on compliance within the Mutual in a report that is also disclosed to the C.A.A.

In accordance to the responsibilities of ensuring that BlueRe complies with all regulatory principles set out by the Luxembourg authority and the overall internal policy, the compliance function has primarily been in relation to monitoring performances in the following areas:

- Internal Procedure Manual;
- Corporate Governance;
- Transactions for the own account of the members or staff;
- Financial instrument transactions;
- Respect of the private life of a Member or staff member;
- System of incompatibility of mandates;
- Assistance towards the internal audit and internal control;

- Eventual domains/fields designated by the Board of Directors;
- Prevention of fraud;
- Anti-money laundering measures;
- Prevention of financing terrorism.

The Compliance function is a key function and has to be fit and proper by performing annually a self-assessment.

The Compliance function can rely on a Charter in which is explained the responsibilities and duties. The Charter is annually reviewed.

#### 5. Internal audit function

The key role of the Internal audit function carried out by the Internal Auditor, is to assist the Board in discharging its governance responsibilities by delivering:

- An objective evaluation of the existing risk and internal control framework;
- Systematic analysis of business processes and controls;
- A source of information on irregularities and unacceptable levels of risk;
- Reviews of the compliance framework and specific compliance issues;
- Evaluations of operational and financial performance;
- Reports on the evolution and the quality of the Solvency II implementation;
- Recommendations for more effective and efficient use of resources;
- Feedback on the values and ethics of the association;
- Review of the questionnaire on prevention of money laundering and financing of terrorism;
- Review of the Internal Procedure Manual and the Memorandum Corporate Governance.

The Internal Auditor is appointed/renewed for a period of 1 year by the Board of Directors.

Therefore, internal audits take place at the various divisions of the Mutual at regular times and at least once a year. The Internal Auditor will write down his observations and recommendation in a report to the Board. After approval, the report will be disclosed to the C.A.A.

In case the internal audit report contains any remark, management will react, in writing, prior to next session of the Internal Auditor. The Internal Auditor will be responsible for the appropriate follow-up of the conclusions and the recommendations inherent to the audit.

The Internal Audit function, being the Internal Auditor, is a key function and has to be fit and proper by performing annually a self-assessment.



Due to the size and the activity (mono-line) of BlueRe, the Internal Audit function is outsourced. The Internal Audit function therefore needs to comply with guidelines of the outsourcing policy.

### 6. Actuarial function

The Actuarial function is in charge of the control of the calculations and to give a level of comfort to the management and the Board of Directors on actuarial processes.

BlueRe is required by law to have a mathematic investigation to assess the risk in contribution and claim liabilities in respect of insurance policies. The actuary verifies annually the computations on the basis of recognised actuarial methods and publishes them in an actuarial function report. The actuarial report contains recommendations or comments to improve the reliability of future valuations of insurance policy liabilities and solvency requirements.

The Board of Directors executes the efficiency and reliability on the work performed by the actuarial function. The Board of Directors challenges the work of the actuary and therefore withholds the actuarial function.

According to article 48 of the Directive Solvency II the Actuarial function has the following responsibilities:

- Coordination of the technical provisions calculation;
- Control the data quality;
- Advice on the underwriting and reinsurance policies;
- Redaction of the actuarial function report.

The Actuarial function is a key function and must be fit and proper by performing annually a self-assessment.

### 7. Outsourcing

#### **Policy**

BlueRe updates and discloses yearly an outsourcing policy. The respect of this policy is compulsory every time a subcontracted activity can have a significant influence on the functioning of BlueRe. The activity, the service or the process are assessed by:

- Strategic impact: the concerned activity is inherent to the status of BlueRe;
- Significant impact on the control of the risks: the realisation of the tasks linked to the concerned activity implies significant risks and/or affects directly the control of the risks;

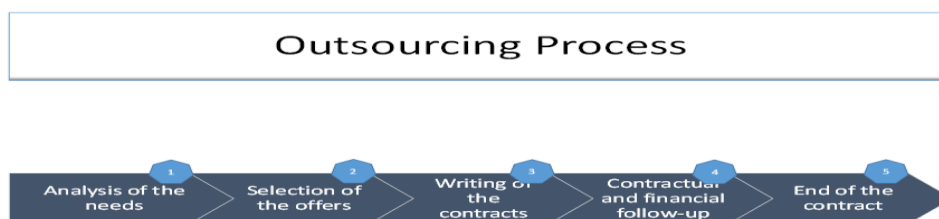
- Significant impact on the budget or the financial results: the realisation of the tasks linked to the concerned activity represents a significant cost and/or products a significant financial result.

### *Staffing and supervision*

Subcontracting does not reduce the responsibility of the Management Committee and the Board of BlueRe whether regarding the Members, supervisory authorities or other stakeholders: BlueRe has to keep ultimate responsibility of its activity.

For any subcontracted essential activity, the Management Committee of BlueRe appoints in house a person in charge of the subcontracted function to whom it delegates the correct application of the present policy. This person is in particular in charge of defining the contents of the subcontracting, the necessary internal resources, the interfaces between the parties, the controlling of the subcontracting, the establishment of the assessment of the subcontracted function (economic profits vs risks) and the reporting to the Management Committee.

The subcontracted organization of the outsourced function should allow a permanent control of the provider. The subcontracted organization will have in particular the obligation to raise any operational incident having an impact on the subcontracted activities, as well as in emergency situation. The process of subcontracting is resumed in the plan below. Each of the stages of the process is explained in the outsourcing policy.



### 8. Any other information

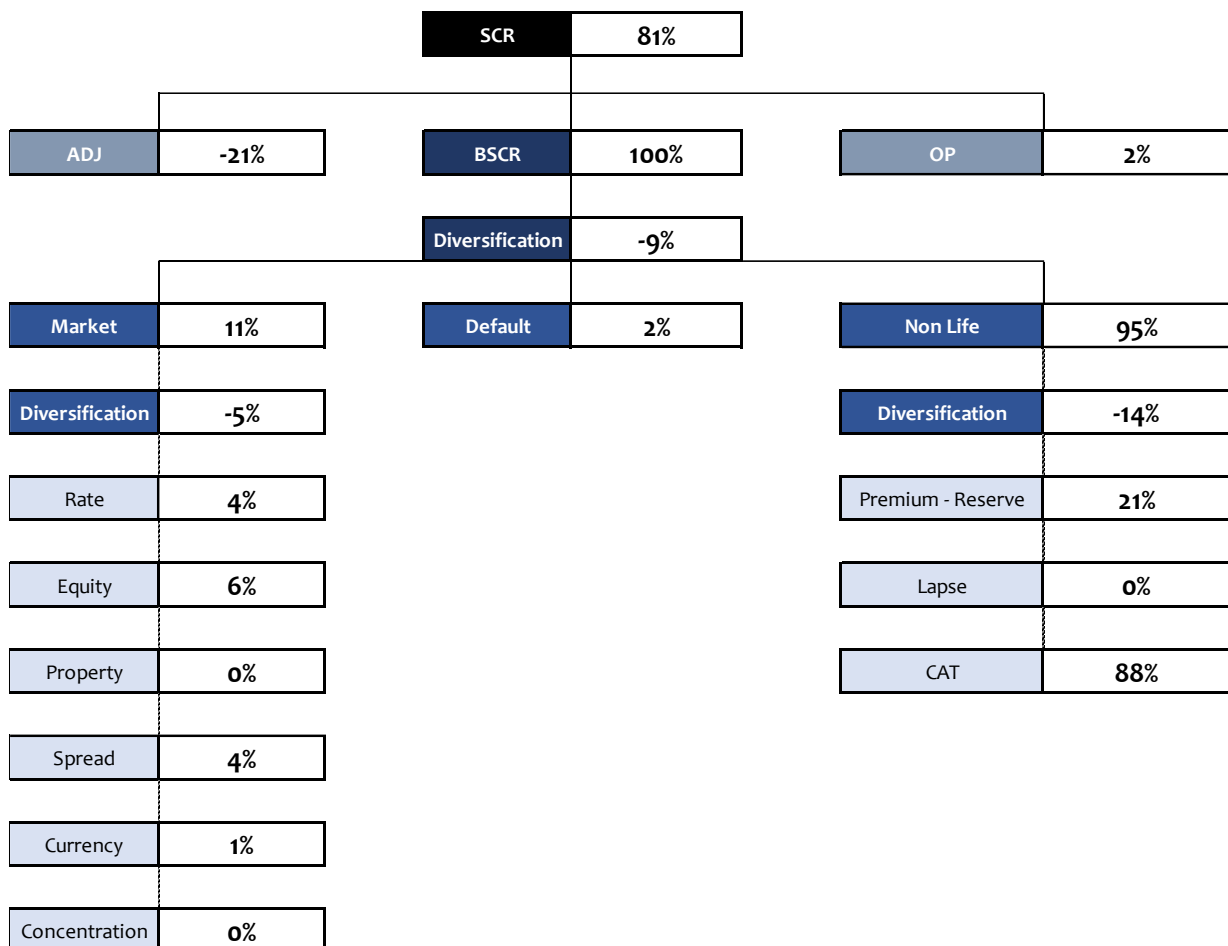
There is no other material governance information to be reported.

**C. Risk Profile**

The risk log gathers all the risks to which BlueRe is exposed, their level of potential impact and their level of probability. The combination of the levels of impact and probability provides a level of risk. Each risk is associated to a main management mean, some mitigation controls and the potential consequences are listed.

Some risks are quantified within the SCR as shown on the SCR tree below. Every risk module/submodule is represented by its contribution to the Basic Solvency Capital Requirement (BSCR). The BSCR corresponds to the aggregation of the risk modules. The SCR is obtained by the sum of the BSCR, the Adjustment module (ADJ) and the operational risk (OP).

**31 December 2022 - Contribution of the modules and submodules to the BSCR**



Some other risks are not directly quantified in the SCR:

- Membership risk: acceptance, activation and ending;
- Retrocession risk: currency, default;
- Claim risk: receiving, handling;
- Market risk: off balance sheet, liquidity, asset and liability management;
- Operational risk: corporate governance, outsourcing, IT (partially quantified under the SCR);
- Compliance risk;
- Reporting risk;
- Reputational risk;
- External fraud risk;
- Internal fraud risk.

#### *1. Underwriting risk*

BlueRe's underwriting risk consists of the non-life underwriting risk, being the risk arising from non-life insurance obligations in relation to the perils covered and the processes used in the conduct of business. This can be detailed by the following sub-risks:

- The premium risk represents the risk that the earned premiums are lower than the cost of claims;
- The reserve risk represents the risk of underestimation (or overestimation), given the random nature of the claims;
- The catastrophe risk is the risk of extreme claims which have a higher impact than the attritional.

The underwriting risk represents the highest risk (quantified by the SCR) for BlueRe and more precisely the catastrophe risk since the business model of BlueRe is based on low frequency high severity claims.

The tree below provides the contribution of every risk submodule in percentage of the total non-life underwriting risk:

#### Contribution of the submodules to the non-life underwriting risk module

31 December 2022

Non Life	100%
Diversification	-14%
Premium - Reserve	22%
Lapse	0%
CAT	92%

## 2. Market risk

Market risk is the risk of loss or adverse change in the financial position due to fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments. This risk may be caused by fluctuations in foreign exchange rates, interest rates or equity, market liquidity, property and securities values.

As shown on the global SCR tree above, the market represents the second highest risk (quantified by the SCR). It is a significant but carefully managed risk as the investment policy sets precise limits for the riskiest asset classes.

The tree below provides the contribution of every risk submodule in percentage of the total market risk:

#### Contribution of the submodules to the market risk module

31 December 2022

Market	100%
Diversification	-43%
Rate	36%
Equity	53%
Property	2%
Spread	39%
Currency	13%
Concentration	0%

#### Investments / "Prudent person" principle: policy and implementation process

Investments of BlueRe are based on the following principles:

- Investments shall be made in the sole interest of BlueRe and its key stakeholders;
- Investments shall be made with care, diligence and prudence;
- Investments shall be carefully diversified as to minimise the risk of large and unexpected losses;
- BlueRe may engage different investment managers with varying investment philosophies and strategies in order to attain its business objectives;
- Appointed investment managers shall adhere to BlueRe's investment strategy for which they were engaged and shall make reasonable efforts to preserve capital while understanding that losses do occur at individual securities;
- Appointed investment managers shall make reasonable efforts to manage and control risks and maintain risk taking within the guidelines and are proportionate to the expected returns;
- Cash must be deployed productively at all times by investing in short-term cash-equivalents while maintaining the desired liquidity level.

The monitoring and control of the investment process is done on the basis of the three lines of defense. The 1st line of defense is the Asset Manager of BlueRe (or external investment manager). The second line of defense is the FIAC and the third line is the Board of Directors.

### 3. Credit risk

Credit risk is the risk that a counterparty is unable to fully pay amounts when due.

This risk is moderate for BlueRe, as according to the investment policy bank ratings shall be higher than credit quality step (CQS) 2.

The credit risk is quantified by the SCR and constituted by the bank default risk related to the cash held.

### 4. Liquidity risk

Liquidity risk is the risk of a loss or inability to realise investments and other assets in order to settle financial obligations when they fall due.

This risk is very limited for BlueRe as no investment in real estate or other illiquid assets is permitted.

### 5. Operational risk

Operational risk, including compliance risk, refers to the risk of loss arising from inadequate or failed internal processes, people, systems or from external events. This risk encompasses all functions rendered during conducting business, including strategy and business planning, underwriting, reinsurance purchasing, reserving, claims management, accounting, investments, treasury, information technology, legal and regulatory, and financial reporting functions. Most of them are not correlated with each other.

The quantified part of the operational risk is calculated in the SCR taking into account the volumes of earned premiums and technical provisions.

### 6. Other material risks

BlueRe is subject to some other risks qualified from low to moderate such as the Financial reporting risk, the reputational risk, the external of internal fraud risk, the strategic risk and emerging risks.

Strategic risk is the risk of the current or prospective impact on earnings or capital arising from adverse business decisions, improper execution of decisions made, or lack of responsiveness to

industry changes. Strategic Risk includes risks relating to accessing / raising capital, capital allocation, competition and maintaining ratings.

Reputational risk is the risk of potential loss through a deterioration of BlueRe's reputation or standing due to a negative perception of its image among members, counterparties, shareholders or supervisory authorities.

Emerging risks refer to risks that do not currently exist or are not currently recognised but have the potential to materially impact the adequacy of BlueRe's financial and operational resources, the volatility of its results and expected financial income or its ability to meet its commercial, legal and regulatory obligations following changes in the environment.

7. Any other information

There is no other material risk information to be reported.



## D. Valuation for Solvency Purposes

### 1. Assets

The valuation of the assets is compliant with the Delegated Acts 2015/35 supplementing the directive 2009/138/EC “Solvency II”.

The lines of differences between Solvency II valuation and Lux Gaap are the following:

- The investments are reported in market value (Solvency II) instead of their book value (Lux Gaap);
- The reinsurance share of the technical provisions is reported in Best Estimate (Solvency II);
- The deferred acquisition costs are null in Solvency II.

Assets (k€)			
31.12.2022	LUX Gaap	Solvency II	Difference
<b>Investments</b>	<b>12 269</b>	<b>12 018</b>	<b>-251</b>
- Parts in investments funds	12 116	11 865	-251
- Term deposits	153	153	0
<b>Reinsurance share of technical provisions</b>	<b>0</b>	<b>0</b>	<b>0</b>
- Provision for unearned premiums	0	0	0
- Provision for claims	0	0	0
<b>Debtors</b>	<b>460</b>	<b>460</b>	<b>0</b>
- Debtors arising out of reinsurance operations	138	138	0
- Other debtors	323	0	-323
- Subscribed capital, not paid	0	323	323
<b>Other assets</b>	<b>12 107</b>	<b>12 107</b>	<b>0</b>
- Tangible assets	143	143	0
- Liquidities	11 964	11 964	0
<b>Prepayments and accrued interests</b>	<b>44</b>	<b>0</b>	<b>-44</b>
- Accrued interest and rent	0	0	0
- Deferred acquisition costs	44	0	-44
- Other prepayments and accrued income	0	0	0
<b>Total</b>	<b>24 879</b>	<b>24 585</b>	<b>-294</b>

## 2. Technical provisions

The solvency II technical provisions are composed of a Best Estimate and a risk margin.

The Best Estimate is calculated as the probability-weighted average of discounted future cash-flows using the relevant risk-free interest rate curve published by the EIOPA.

The risk margin corresponds to the amount that should be paid to transfer the portfolio to another company in order to support the current reinsurance obligations under a run-off scenario.

The following table provides the detailed figures for the only line of business being non-proportional casualty:

Technical provisions (k€)			
31.12.2022	LUX Gaap	Solvency II	Difference
Premium provisions			
- Gross	1 743	1 725	-18
- Reinsurance share	0	0	0
Net	1 743	1 725	-18
Claims provisions			
- Gross	0	0	0
- Reinsurance share	0	0	0
Net	0	0	0
Total provision - Gross	1 743	1 725	-18
Total provision - Net	1 743	1 725	-18
Equalization provision	15 258	0	-15 258
Risk margin	0	979	979

No material changes on the basis of measurement is to be mentioned.

Regarding specific and transitional measures including matching adjustment, volatility adjustment, transitional risk-free interest rate-term structure (Article 308c), transitional deduction (Article 308d), none of them are used in the calculations.

### 3. Other liabilities

Other liabilities (k€)			
31.12.2022	LUX Gaap	Solvency II	Difference
Deferred tax liability	0	3 597	3 597
Creditors	114	114	0
Transitory accounts	29	29	0
<b>Total</b>	<b>143</b>	<b>3 740</b>	<b>3 597</b>

It is important to mention the difference deriving from the deferred tax liability which is a result of the future potential profit arising from the differences between the Lux Gaap balance sheet and the Solvency II balance sheet.

### 4. Alternative methods for valuation

No alternative method for valuation has been used.

### 5. Any other information

There is no other material valuation information to be reported.

## E. Capital management

### 1. Own funds

The business development is continuously adapted to the quantity of own funds in order to respect the acceptable ranges defined by the risk appetite.

BlueRe Eligible Own funds currently consists of a majority of unrestricted Tier 1. The major difference between the capital in the LUXGAAP financial statements and the Eligible Own Funds as calculated for Solvency II purposes, arises mainly from the revaluation of the equalisation reserve towards total basic own funds and from the consideration of the investments in market value.

Own Funds (k€)			
	31.12.2022	31.12.2021	Difference
<b>Capital</b>	<b>7 735</b>	<b>7 413</b>	<b>323</b>
<b>Reconciliation reserve</b>	<b>10 406</b>	<b>7 271</b>	<b>3 135</b>
<b>TOTAL</b>	<b>18 141</b>	<b>14 684</b>	<b>3 457</b>
<b>Total eligible own funds - Tier 1</b>	<b>17 819</b>	<b>14 364</b>	<b>3 455</b>
<b>Total eligible own funds - Tier 2</b>	<b>32</b>	<b>320</b>	<b>-288</b>
<b>Own Funds that do not meet the criteria to be classified as Solvency II Own Funds</b>	<b>290</b>	<b>0</b>	<b>290</b>
<b>Total Eligible Own Funds to meet the SCR</b>	<b>17 851</b>	<b>14 684</b>	<b>3 167</b>

Those own funds are eligible to cover both the SCR and the MCR.

No material change is to be mentioned compared to the last reporting.

No own fund item is subject to transitional measures.

No ancillary own funds are to be mentioned.

### 2. Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR)

The SCR is calculated following the Standard Formula.

The following tree shows the ramification for the different modules of risk:

31 December 2022 - SCR, BSCR and risk modules

In k€

		<b>SCR</b>	<b>14 045</b>		
<b>ADJ</b>	<b>-3 597</b>	<b>BSCR</b>	<b>17 369</b>	<b>OP</b>	<b>273</b>
<b>Market</b>	<b>1 987</b>	<b>Default</b>	<b>387</b>	<b>Non Life</b>	<b>16 563</b>

No simplified calculation or undertaking-specific parameter is used.

SCR - MCR and coverage ratio			
31.12.2022 - k€	Amount	Eligible Own Funds	Coverage ratio
SCR	14 045	17 851	127%
MCR	3 900	17 851	458%

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

This methodology is currently not used by BlueRe, therefore this paragraph is not applicable.

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

No internal model is used by BlueRe, therefore this paragraph is not applicable.

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

On the reference period, the Eligible Own funds of BlueRe have remained above both the Minimum Capital Requirement and the Solvency Capital Requirement.

6. Any other information

There is no other capital management information to be reported.

## F. Status of the SFCR and date

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For practical reasons, the SFCR is written in a masculine version where we often use words as he or his. In BlueRe, where we believe in equal rights, it is not more than normal that those words can be used if appropriate in their feminine form.

A mutual is always evolving. To avoid continuous and minor adaptations to the SFCR, the Management Committee yearly evaluates and updates the SFCR where necessary. A minimal improved version is too insignificant to be presented to the Board of Directors. However, major modifications that have a structural impact on the organization should be approved by the Board of Directors. Their consent will be expressed by the signature of the Managing Director.

Latest review date	07-04-2023
Latest assessment by Management Committee	07-04-2023
Brought to the Board of Director	01-06-2023

Approved and duly signed at 07/04/2023 by,



D. Vanwelkenhuyzen  
Dirigeant Agréé



Wim Gemis  
Managing Director

# ANNEX

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## Quantitatives Reporting Templates (QRT)

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- S.02.01.02 - Balance sheet
- S.05.01.02 - Premium, claims and expenses by line of business
- S.05.02.01 - Premium, claims and expenses by country
- S.17.01.02 - Non-Life technical provisions
- S.19.01.21 - Non-Life insurance claims
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on standard formula
- S.28.01.01 - Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

All amounts are expressed in thousands of euros.



**S.02.01.02 - Balance sheet**

				Solvency II value	Statutory accounts value		
				C0010	C0020		
Assets	Goodwill		R0010				
	Deferred acquisition costs		R0020		44		
	Intangible assets		R0030				
	Deferred tax assets		R0040				
	Pension benefit surplus		R0050				
	Property, plant & equipment held for own use		R0060	143	143		
	Investments (other than assets held for index-linked and unit-linked contracts)			R0070	12 018	12 269	
		Property (other than for own use)		R0080	0	0	
		Holdings in related undertakings, including participations		R0090	0	0	
		Equities			R0100	0	0
			Equities - listed		R0110	0	0
			Equities - unlisted		R0120	0	0
		Bonds			R0130	0	0
			Government Bonds		R0140	0	0
			Corporate Bonds		R0150	0	0
			Structured notes		R0160	0	0
			Collateralised securities		R0170	0	0
		Collective Investments Undertakings		R0180	11 865	12 116	
		Derivatives		R0190	0	0	
		Deposits other than cash equivalents		R0200	153	153	
		Other investments		R0210	0	0	
		Assets held for index-linked and unit-linked contracts		R0220	0	0	
	Loans and mortgages			R0230	0	0	
		Loans on policies		R0240	0	0	
		Loans and mortgages to individuals		R0250	0	0	
		Other loans and mortgages		R0260	0	0	
	Reinsurance recoverables from:			R0270	0	0	
		Non-life and health similar to non-life		R0280	0	0	
			Non-life excluding health		R0290	0	
			Health similar to non-life		R0300	0	
		Life and health similar to life, excluding health and index-linked and unit-linked		R0310	0	0	
			Health similar to life		R0320	0	
	Life excluding health and index-linked and unit-linked			R0330	0		
Life index-linked and unit-linked		R0340	0				
Deposits to cedants		R0350	0	0			
Insurance and intermediaries receivables		R0360					
Reinsurance receivables		R0370	138	138			
Receivables (trade, not insurance)		R0380		323			
Own shares (held directly)		R0390					
Amounts due in respect of own fund items or initial fund called up but not yet paid in		R0400	323				
Cash and cash equivalents		R0410	11 964	11 964			
Any other assets, not elsewhere shown		R0420	0	0			
Total assets		R0500	24 585	24 879			

Liabilities	Technical provisions - non-life		R0510	2 704	1 743
		Technical provisions - non-life (excluding health)	R0520	2 704	1 743
		Technical provisions calculated as a whole	R0530	0	
		Best Estimate	R0540	1 725	
		Risk margin	R0550	979	
			R0560	0	
		Technical provisions - health (similar to non-life)			
		Technical provisions calculated as a whole	R0570	0	
		Best Estimate	R0580	0	
		Risk margin	R0590	0	
			R0600	0	0
		Technical provisions - life (excluding index-linked and unit-linked)			
		Technical provisions - health (similar to life)			
		Technical provisions calculated as a whole	R0620	0	
		Best Estimate	R0630	0	
		Risk margin	R0640	0	
		Technical provisions - life (excluding health and index-linked and unit-linked)			
		Technical provisions calculated as a whole	R0660	0	
		Best Estimate	R0670	0	
		Risk margin	R0680	0	
			R0690	0	
		Technical provisions - index-linked and unit-linked			
		Technical provisions calculated as a whole	R0700	0	
		Best Estimate	R0710	0	
		Risk margin	R0720	0	
		Other technical provisions			
			R0730		15 258
		Contingent liabilities			
			R0740		
		Provisions other than technical provisions			
		R0750			
	Pension benefit obligations				
		R0760			
	Deposits from reinsurers				
		R0770			
	Deferred tax liabilities		3 597		
		R0780			
	Derivatives		0	0	
		R0790			
	Debts owed to credit institutions				
		R0800			
	Financial liabilities other than debts owed to credit institutions				
	Insurance & intermediaries payables				
		R0820			
	Reinsurance payables		0	0	
		R0830			
	Payables (trade, not insurance)		114	114	
		R0840			
	Subordinated liabilities		0	0	
		R0850			
		R0860			
		R0870	0		
	Any other liabilities, not elsewhere shown				
		R0880	29	29	
	Total liabilities		6 444	17 144	
		R0900			
Excess of assets over liabilities			18 141	7 735	
		R1000			

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

			Line of Business for: accepted non-proportional reinsurance	Total
			Casualty	
			C0140	C0200
<b>Premiums written</b>	Gross - Direct Business	R0110		0
	Gross - Proportional reinsurance accepted	R0120		0
	Gross - Non-proportional reinsurance accepted	R0130	7 696	7 696
	Reinsurers' share	R0140	0	0
	Net	R0200	7 696	7 696
<b>Premiums earned</b>	Gross - Direct Business	R0210		0
	Gross - Proportional reinsurance accepted	R0220		0
	Gross - Non-proportional reinsurance accepted	R0230	6 071	6 071
	Reinsurers' share	R0240	0	0
	Net	R0300	6 071	6 071
<b>Claims incurred</b>	Gross - Direct Business	R0310		0
	Gross - Proportional reinsurance accepted	R0320		0
	Gross - Non-proportional reinsurance accepted	R0330	0	0
	Reinsurers' share	R0340	0	0
	Net	R0400	0	0
<b>Changes in other technical provisions</b>	Gross - Direct Business	R0410		0
	Gross - Proportional reinsurance accepted	R0420		0
	Gross - Non- proportional reinsurance accepted	R0430		0
	Reinsurers' share	R0440		0
	Net	R0500	0	0
<b>Expenses</b>		R0550	889	889
<b>Other expenses</b>		R1200		0
<b>Total expenses</b>		R1300		889

## S.05.02.01 - Premium, claims and expenses by country

			Home country	Total Top 5 and home country
			C0080	C0140
Premiums written	Gross - Direct Business	R0110	0	0
	Gross - Proportional reinsurance accepted	R0120	0	0
	Gross - Non-proportional reinsurance accepted	R0130	7 696	7 696
	Reinsurers' share	R0140	0	0
	Net	R0200	7 696	7 696
Premiums earned	Gross - Direct Business	R0210	0	0
	Gross - Proportional reinsurance accepted	R0220	0	0
	Gross - Non-proportional reinsurance accepted	R0230	6 071	6 071
	Reinsurers' share	R0240	0	0
	Net	R0300	6 071	6 071
Claims incurred	Gross - Direct Business	R0310	0	0
	Gross - Proportional reinsurance accepted	R0320	0	0
	Gross - Non-proportional reinsurance accepted	R0330	0	0
	Reinsurers' share	R0340	0	0
	Net	R0400	0	0
Changes in other technical provisions	Gross - Direct Business	R0410		
	Gross - Proportional reinsurance accepted	R0420		
	Gross - Non-proportional reinsurance accepted	R0430		
	Reinsurers' share	R0440		
	Net	R0500		
Expenses incurred		R0550	889	889
Other expenses		R1200		
Total expenses		R1300		889

**S.17.01.02 - Non-Life technical provisions**

					accepted non-proportional reinsurance	Total Non-Life obligation
					Non-proportional casualty reinsurance	
					C0150	C0180
Technical provisions calculated as a whole				R0010		0
	Direct business			R0020		0
	Accepted proportional reinsurance business			R0030		0
	Accepted non-proportional reinsurance			R0040		0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole				R0050		0
Technical provisions calculated as a sum of BE and RM	Best estimate	Premium provisions	Gross - Total	R0060	1 725	1 725
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0
			Net Best Estimate of Premium Provisions	R0150	1 725	1 725
		Claims provisions	Gross - Total	R0160		0
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0
			Net Best Estimate of Claims Provisions	R0250	0	0
		Total Best estimate - gross	R0260	1 725	1 725	
		Total Best estimate - net	R0270	1 725	1 725	
		Risk margin	R0280	979	979	
		Amount of the transitional on Technical Provisions	TP as a whole			R0290
Best estimate				R0300		0
Risk margin				R0310		0
Technical provisions - total	Technical provisions - total			R0320	2 704	2 704
	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total			R0330	0	0
	Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total			R0340		
						2 704

**S.19.01.21 - Non-Life insurance claims**

Total Non-life business

- Gross claims paid (non-cumulative)
- Gross undiscounted Best Estimate Claims Provisions

BlueRe never had claims and currently has no claims, therefore, those two templates are empty.

**S.23.01.01 – Own funds**

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Ordinary share capital (gross of own shares)	R0010	0	0		0	
	Share premium account related to ordinary share capital	R0030	0	0		0	
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	7 735	7 413		323	
	Subordinated mutual member accounts	R0050	0		0	0	0
	Surplus funds	R0070	0	0			
	Preference shares	R0090	0		0	0	0
	Share premium account related to preference shares	R0110	0		0	0	0
	Reconciliation reserve	R0130	10 406	10 406			
	Subordinated liabilities	R0140	0		0	0	0
	An amount equal to the value of net deferred tax assets	R0160	0				0
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0	
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	290				
Deductions	Deductions for participations in financial and credit institutions	R0230	0	0	0	0	0
<b>Total basic own funds after deductions</b>		R0290	17 851	17 528	0	323	0
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0			0	
	Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0			0	
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0			0	0
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0			0	
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0			0	0
	Other ancillary own funds	R0390	0			0	0
<b>Total ancillary own funds</b>		R0400	0			0	0
Available and eligible own funds	Total available own funds to meet the SCR	R0500	17 851	17 528	0	323	0
	Total available own funds to meet the MCR	R0510	17 851	17 528	0	323	
	Total eligible own funds to meet the SCR	R0540	17 851	17 528	0	323	0
	Total eligible own funds to meet the MCR	R0550	17 851	17 528	0	323	
SCR		R0580	14 045				
MCR		R0600	3 900				
Ratio of Eligible own funds to SCR		R0620	127%				
Ratio of Eligible own funds to MCR		R0640	458%				

			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	18 141
	Own shares (held directly and indirectly)	R0710	0
	Foreseeable dividends, distributions and charges	R0720	0
	Other basic own fund items	R0730	7 735
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
		R0760	10 406
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	0
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	0
Total Expected profits included in future premiums (EPIFP)		R0790	0



**S.25.01.21 - Solvency Capital Requirement - for undertakings on standard formula**

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	1 987		
Counterparty default risk	R0020	387		
Life underwriting risk	R0030	0		
Health underwriting risk	R0040	0		
Non-life underwriting risk	R0050	16 563		
Diversification	R0060	-1 568		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	17 369		

			Value
			C0100
Operational risk		R0130	273
Loss-absorbing capacity of technical provisions		R0140	0
Loss-absorbing capacity of deferred taxes		R0150	-3 597
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	0
Solvency Capital Requirement excluding capital add-on		R0200	14 045
Capital add-on already set		R0210	0
Solvency capital requirement		R0220	14 045
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	0
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	0

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

		MCR components
		C0010
MCRNL Result	R0010	1 544

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Non-proportional casualty reinsurance	R0150	1 725	7 696

		C0070
Linear MCR	R0300	1 544
SCR	R0310	14 045
MCR cap	R0320	6 320
MCR floor	R0330	3 511
Combined MCR	R0340	3 511
Absolute floor of the MCR	R0350	3 900
Minimum Capital Requirement	R0400	3 900