Swiss Re Portfolio Partners S.A.
(formerly iptiQ Insurance S.A.)

Solvency and Financial Condition Report

For the period ended 31 December 2016

Swiss Re Portfolio Partners S.A.
2A, rue Albert Borschette
L-1246 Luxembourg

R.C.S. Luxembourg B184298

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Executive summary

Business and performance

- Swiss Re Portfolio Partners S.A., formerly iptiQ Insurance S.A. (the Company), was incorporated on 27 January 2014 in the Grand Duchy of Luxembourg to conduct class 1 and class 2 non-life insurance business through branches in Ireland and the United Kingdom. The Company has acquired a closed portfolio of Irish medical expense insurance policies in 2014. The Company is revising its business strategy, including an expansion to other non-life lines of business.
- The underwriting performance for 2016 was a loss of EUR 297 thousand. The underwriting performance is mainly driven by administrative expenses totalling EUR 445 thousand and a reversal of claims cost of EUR 148 thousand.
- For the period ended 31 December 2016, the investment result is a net charge amount of EUR 39 thousand. This result stems from the negative yield on German and French short-term bonds which were the sole investment item of the investment portfolio during the period ended 31 December 2016.

System of governance

- The governance and organisational structure of the Company is set out in the Company's Terms of Reference and charters. These define the responsibilities and authority of the Board and its Committees.
- The Company carries out an annual evaluation of its system of governance. During the reviews performed in 2016, the Board concluded that the system of governance that was in place in 2016 is adequate to the nature, scale and complexity of the risks inherent in the Company's business. This will however be revisited with the revised business strategy.

Risk profile

- The Company started trading in October 2014 and wrote a closed book of health insurance business, hence the underwriting and investment risks are minor.
- The core risk profile is expected to change in line with the revised business strategy.

Valuation for solvency purposes

Non-life technical provisions
The total non-life technical provision of EUR 69 thousand was mainly impacted by the run-off of the existing portfolio.

Other assets and liabilities
There is no material difference between Solvency II and Company statutory values for other assets and liabilities, which are all of a short term nature.

Capital management

- Own funds amounted to EUR 7 650 thousand as at 31 December 2016.
- The Solvency Capital Requirement (SCR) was EUR 218 thousand as at 31 December 2016. The Minimum Capital Requirement (MCR) was equal to EUR 2 500 thousand.
- The solvency ratio expressed as eligible own funds as a percentage of the SCR as at 31 December 2016 was equal to 3 512%. The solvency ratio expressed as eligible own funds as a percentage of the MCR as at 31 December 2016 was equal to 306%.

Section A: Business and performance

A1: Business

Full name and legal form

Swiss Re Portfolio Partners S.A. (formerly iptiQ Insurance S.A.), is a non-life insurance company incorporated in the Grand Duchy of Luxembourg, with registered office at 2A, rue Albert Borschette, L-1246 Luxembourg, as a limited liability company under Luxembourg law (société anonyme), registered with the Luxembourg Trade and Companies Register under number B184298, on 27 January 2014. The Company's legal entity identifier (LEI) is 222100Y2EAOVC2MU1F22.

Supervisory authority and group supervisor

The Company is authorised by the Luxembourg Finance Minister to conduct class 1 and class 2 accident and health direct non-life insurance business and operates through two branches in the European Union.

Commissariat aux Assurances
7 Boulevard Joseph II
L - 1840 Luxembourg
Grand-Duché de Luxembourg
Telephone: +352 22 69 11 1
Fax: +352 22 69 10
www.commassu.lu

Ultimate parent company and group supervisor

The ultimate parent company is Swiss Re Ltd, which is incorporated in Switzerland. For the purposes of this report, the ultimate parent company and all its subsidiaries are referred to as Swiss Re or the Swiss Re Group. The Group supervisor is the Swiss Financial Market Supervisory Authority FINMA.

Swiss Financial Market Supervisory Authority FINMA
27 Laupenstrasse
CH – 3003 Bern
Switzerland
Telephone: +41 31 327 91 00
Fax: +41 31 327 91 01
www.finma.ch

External auditor

The external auditor appointed by the shareholder of the Company is PricewaterhouseCoopers.

PricewaterhouseCoopers Société coopérative
2 rue Gerhard Mercator
L-2182 Luxembourg
Grand-Duché de Luxembourg
Telephone: +352 49 48 48 1
Fax: +352 49 48 48 29 00
www.pwc.lu

Holding company

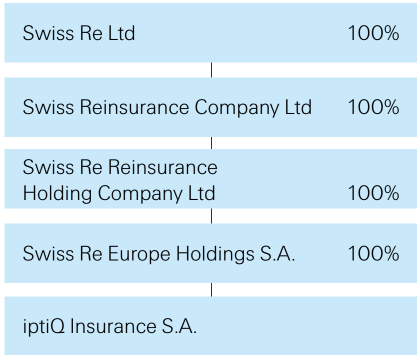
The parent company of the Company is Swiss Re Europe Holdings S.A., a limited liability company (société anonyme) incorporated and existing under the laws of the Grand-Duchy of Luxembourg, with registered office at 2A, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B72575. Swiss Re Europe Holdings S.A. owns a 100% of the shares.

Material related undertakings

As at 31 December 2016, the Company does not have any investments in related undertakings.

Simplified group structure

The Company's parent and ultimate parent company and material related undertakings as at 31 December 2016 were as follows:



On 10 March 2017, an extraordinary general meeting of the shareholder was held at which, inter alia, the name of the Company was changed to "Swiss Re Portfolio Partners S.A."

Material lines of business and geographical areas

The Company operates through two branches in the European Union. The Company has acquired a closed portfolio of Irish medical expense insurance policies in 2014, and did not write business during the period ending 31 December 2016.

Significant business or other events

The Company is revising its business strategy, including an expansion to other non-life lines of business.

A2: Underwriting performance

Underwriting performance

The underwriting performance by material Solvency II lines of business, calculated on the same basis as used in the Company's financial statements, for the period ended 31 December 2016, was as follows:

EUR thousand	2016
Medical expense insurance	–297
Total	**–297**

The underwriting performance by material countries for the period ended 31 December 2016 was as follows:

EUR thousand	2016
Ireland	–297
Total	**–297**

The underwriting performance in 2016 amounted to a loss of EUR 297 thousand. The underwriting performance is mainly driven by a reversal of claims cost of EUR 148 thousand and administrative expenses totalling EUR 445 thousand.

A3: Investment performance

Investment results
Investment income and expenses by investments assets categories, for the period ending 31 December 2016, were as follows:

EUR thousand	2016
Gains on realisation of investments	0
Total investment income	**0**
Investment management charges, including interest	–39
Losses on realisation of investments	0
Total investments charges	**–39**

For the period ended 31 December 2016, the investment result is a net charge amounting to EUR 39 thousand. This result stems from the negative yield on German and French short-term bonds which were the sole investment item of the investment portfolio during the period ending 31 December 2016.

Gains and losses recognised directly in equity
The Company does not recognise any gains or losses directly in equity.

Investments in securitisation
The Company does not have any investments in securitisation positions.

A4: Performance of other activities

Material leasing arrangements
The Company does not have any material financial or operating leasing arrangements.

Other material income and expenses incurred during the reporting period
No other material income and expenses were incurred during the period ended 31 December 2016.

A5: Any other information

There is no other material information to report for the period ended 31 December 2016.

Section B: System of governance

B1: General information on the system of governance

Organisational structure and system of governance
The governance and organisational structure of the Company is set out in the Company's Terms of Reference and charters. These define the responsibilities and authority of the Board and Committees.

Board
The Board's duty is to manage the Company in a way to achieve the Company's purpose and in the Company's best interests. The Board is responsible for the sound and prudent management of the Company.

The members of the Board bear ultimate responsibility and liability for meeting applicable legal obligations. They therefore have the right and obligation to take all measures to fulfil their legal duties.

The members of the Board are individuals with the abilities, professional background and personal character (including honesty and financial soundness) necessary and required to ensure an independent decision-making process in a critical exchange of ideas with the executive management.

Composition of the Board
As at 31 December 2016, the Board had nine members, of whom three are non-executive members and six are Swiss Re Group employees. The Board appoints the Chairman of the Board.

Delegation and retained responsibilities of the Board
The Board has delegated certain responsibilities and authorities to:
- the Solvency II Committee of the Company;
- the Transactions Committee of the Company;
- the General Manager of the Company;
- the General Manager Committee of the Company;
- the Branch Managers of the Company; and
- the Key Function Holders of the Company

The Board retains ultimate responsibility, oversight and control of the delegated responsibilities and authorities.

Delegations:
Solvency II Committee
The purpose of the Solvency II Committee is to assist the Board and the General Manager of the Company with the Solvency II implementation. The Solvency II Committee is authorised to take Solvency II related decisions on operational matters and to submit proposals and recommendations on Solvency II strategic matters to the Board.

Transactions Committee
The purpose of the Transactions Committee is to approve transactions, as well as outsourcing arrangements associated with transactions, falling within certain thresholds, as determined by its Charter and the Board Terms of Reference.

General Manager
The General Manager is in charge of the day-to-day management of the Company and represents the Company at the CAA. In particular, the General Manager has authority to sign in respect of financial and treasury management, including opening and operations of bank accounts, hedging agreements and payments. He also has authority regarding employment matters and to act in the best interests of the Company's branches. The General Manager is resident in Luxembourg and has been approved by the Luxembourg Minister of Finance.

General Manager Committee
The purpose of the General Manager Committee is to assist the General Manager of the Company to manage and supervise operational activities of the Company and its Branches to the extent that such operational activities relate to the Company. The General Manager Committee ensures, in particular, that any material matters relating to the Company are effectively communicated to the central administration and the branches. The General Manager Committee assists the outsourcing manager(s) in management and oversight of the outsourced Critical or Important functions of the Company and ensures that any material matters relating to the Company are effectively communicated to the outsourcing manager(s).

Branch Managers
For each branch, the Board has appointed one person as Branch Manager and legal representative of the Company in the jurisdiction of the branch, who is in charge of the day-to-day management of the branch and conducting business in the name of the Company in the jurisdiction of the branch. Each Branch Manager is a member of the General Manager Committee.

Key functions
The Board is responsible for adopting appropriate measures to implement Group guidelines or policies relating to the functions defined as key or critical under the Solvency II framework, i.e. Risk Management, Compliance, Internal Audit and Actuarial (referred to as "key functions").

The roles of the key functions are as follows:

Risk Management
Please refer to the sub-section "B3: Risk management system" and the paragraph "Implementation and integration of the Risk Management function" on page 10 for details of the Risk Management function.

Compliance
Please refer to the sub-section "B4: Internal control system" and the paragraph "Implementation of the Compliance function" on page 12 for details of the Compliance function.

Internal Audit
Please refer to the sub-section "B5: Internal audit function" and the paragraph "Internal Audit function implementation" on page 12 for details of the Internal Audit function.

Actuarial
Please refer to the sub-section "B6: Actuarial function" and the paragraph "Implementation of the Actuarial function" on page 13 for details of the Actuarial function.

Key function holders
The Board nominates individuals as designated representatives of the respective key functions of the Company (the "key function holders") and monitors the key functions to ensure they are adequately staffed with professionals possessing the requisite professional qualifications, knowledge and experience. Key function holders operate under the oversight of the Board. Each key function holder is a member of the General Manager Committee.

Reporting and access to information
The Board has full authority to investigate any matters within their respective duties. They are authorised to obtain independent professional advice, request external advisors to undertake specific tasks or to obtain any information from any director, officer or employee acting on behalf of the Company and to secure their attendance to the relevant meetings when necessary.

The key functions have operational independence in performing their reporting functions with the exception of Internal Audit, which shall have complete independence in performing its reporting function. Key function holders will report directly to the Board and the General Manager Committee any issues that could have an impact on the Company.

Material changes in the system of governance
There were no material changes in 2016. The Board of Directors established a Transactions Committee and the remit of the General Management Committee was expanded to include Key Function holders and Outsourcing Managers. Please refer to the paragraph 'Organisation structure and system of governance' on page 7.

Remuneration policy and practices
The Company adopted the Swiss Re Group Compensation Policy which captures Swiss Re's compensation framework and governance. Furthermore the policy governs the compensation processes and provides key guidelines for the execution of individual compensation actions. The aim is to reward sustained performance as well as providing for closer alignment of the interests of shareholders and employees.

Swiss Re's compensation framework comprises core components such as base salary, pensions and benefits and short-term and long-term incentives. These incentive programmes reflect the long-term nature of the business: both the Value Alignment Incentive (VAI) as the deferred part of the Annual Performance Incentive (API) and the Leadership Performance Plan (LPP) aim to reward sustained performance rather than short-term results.

However, the Company had no employees during 2016.

Compensation framework for the Board

Compensation structure for non-executive directors

The non-executive members of the Board of the Company receive 100% of their fees in cash. The payments are made on a quarterly basis. The fees are determined in advance at the start of the financial year and are approved at the Swiss Re Group level. The fee level for each member is reviewed annually and reflects their differing levels of responsibility and time commitment.

Compensation structure for executive directors

Executive directors receive no additional fees for their services as members of the Boards at subsidiaries of Swiss Re Limited.

Performance criteria

The Company had no employees during 2016.

Supplementary pension or early retirement schemes for key individuals

The Company does not have a policy of offering supplementary or enhanced early retirement to key individuals.

Material transactions

During 2016, there were no material transactions with shareholders, with persons who exercise a significant influence on the Company, or with members of the Board of Directors.

B2: Fit and proper requirements

Policy framework for fit and proper requirements

The Company's compliance with fit and proper requirements is assured through a combination of policies and related procedures. In particular, the Board and management follow special procedures related to appointments (nominations or changes), performance review and training. A set of tools and templates facilitates the implementation of these policies, which collectively ensure that those who effectively run the undertaking possess the requisite skills, knowledge and expertise for their roles.

Process for assessing fitness and propriety

Compliance with fit and proper requirements of the persons in scope is reviewed at various stages, as shown in table below.

Stage	Activities
Initial assessment	The Company has adopted a specific policy and standards describing the appointment process and the skill/experience approvals required. The Company screens nominees up-front (e.g. CV, passport, criminal record checks, etc.) and uses the Swiss Re Group approval process and fitness and propriety assessment.
Induction	Newly appointed Board members receive an induction package covering a range of Group/Company topics.
Training	Training sessions are offered during the year
Collective assessment	A formal performance review of the Board is conducted annually during a private session. Board members individually prepare the review with a self-assessment questionnaire and checklist which specifically refers to fit and proper requirements. Gaps and action items (e.g. training needs, suggested changes to board committees etc.) are documented for follow-up.
Ongoing and ad-hoc assessment	All individuals subject to fit and proper requirements have to complete an annual fit and proper declaration, which focuses on the validation of the propriety to cover the assigned position. Re-assessments are performed if (a) additional responsibilities are assigned to a concerned individual, (b) if a concerned individual becomes aware that he/she no longer meets the Company's fit and proper criteria, or (c) if the performance or the behaviour of a concerned individual raises serious doubts about this person meeting the fit and proper criteria.

B3: Risk management system including the own risk and solvency assessment (ORSA)

Risk management system

The risk management system of the Company leverages the global framework that governs risk management practices throughout the Swiss Re Group. Risk policies, standards and guidelines established at Group and Business Unit level form a large part of the Company's risk management system; key documents are reviewed for appropriateness by Board of the Company and subsequently adopted. Additional risk governance for the Company is established as an addendum to the respective Group or Business Unit governance where needed to address the specific circumstances of the Company.

A key objective of the independent Risk Management function is to enable controlled risk-taking and the efficient, risk-adjusted allocation of capital. Risk Management is based on four guiding principles:

- controlled risk-taking,
- open risk culture;
- clear accountability, and
- independent risk controlling.

Swiss Re fosters and maintains a strong and sustainable risk culture across the Group to promote risk awareness and support appropriate attitudes and behaviours towards risk taking and risk management. A key element of risk culture is risk transparency. The central goal of risk transparency is to create a culture of mutual trust, and reduce the likelihood of surprises in the source and potential magnitude of losses.

Risk transparency is ensured through regular reporting of both quantitative and qualitative risk information to the Company's Board. These reports cover all aspects of the Company's risk landscape, including quantitative views of risk, solvency and liquidity, key risk issues with mitigating actions and recommendations. Dialogue between the Company's key functions using these reports and other identification processes support the Company in monitoring and managing the risks to which it is exposed.

For its risk identification process, the Company applies Swiss Re Group's framework for identifying, assessing, managing and controlling risks. In addition, the emerging risk process provides a platform for raising emerging risks and reporting early warning signals; this information is complemented with external expertise, and reported to internal stakeholders.

Implementation and integration of the Risk Management function

Under the Company's Terms of Reference, the Board assumes the oversight role for risk and capital steering supported by the Chief Financial Officer and the Chief Risk Officer.

The governance bodies for the Company are described in section "B1: General information on the system of governance" on page 7. The Company's Risk Management is supported by Swiss Re's global Risk Management units that provide specialised risk category expertise and accumulation control, risk modelling and reporting services, regulatory relations management and central risk governance framework development, as well as by the Business Unit Risk Management function, which provides specialised risk category expertise and accumulation control.

Internal model

The Company does not currently use an internal model for Solvency II purposes. Rather, the Company uses the standard formula.

Process for accepting change to the internal model

The Company does not currently use an internal model.

Material changes to the internal model governance

The Company does not currently use an internal model.

Internal model validation tools and processes

The Company does not currently use an internal model.

The prudent person principle

In accordance with the Prudent Person Principle under Solvency II, the management of the Company's investments is governed by the general principle of the creation of economic value on the basis of returns relative to the liability benchmark and its replicating portfolio, the asset management policy adopted by the Company and a set of strategic asset allocation limits that are established by the Board of the Company.

ORSA process

The own risk and solvency assessment (ORSA) is an ongoing process, with critical risk control and reporting activities being carried out on a regular basis as outlined in Section B3 above. Within the annual business planning exercise it is used to assess the risks inherent in the plan and resilience of the Company solvency and balance sheet over a 3 year horizon. Anticipated significant changes in risk profiles are included in assessing the future solvency position. Scenarios are used to provide insights into the strength of the balance sheet and assess future potential solvency positions. Where exceptionally adverse scenarios are identified, mitigating actions and control measures are proposed which would require the Board's approval prior to actions being taken.

The Chief Risk Officer maintains operational responsibility for carrying out the ORSA process and delivering the ORSA reports to the Board.

The Company established appropriate ORSA governance and process standards, but no ORSA had been conducted in 2016 as the Company had been reconsidering the business plan. Board approval had been obtained for not conducting an ORSA.

Review of ORSA

The ultimate responsibility for the ORSA rests with the Board, who reviews and approves the results of the ORSA process at least annually. The Company defined triggers for conducting an ORSA outside of the regular time-scales.

Solvency assessment

Based on the planned risk profile, the standard formula is used to determine capital requirements. The Company sets aside capital to cover its quantifiable risks in accordance with its capitalisation policy (see Section E1 for more information). The Company's risk- based capital position is monitored on a regular basis by the Company Chief Risk Officer and Chief Financial Officer against target capital with a number of options if risk and capital develop out of pre-defined control ranges. Additionally, within the ORSA process, the plan is stressed by scenarios and mitigations considered to ensure that the capital requirements can still be met under those scenarios.

B4: Internal control system

Internal control system

Coordinated assurance framework

Swiss Re's coordinated assurance framework used by the Company to identify the principal operational risks to the organisation and the relevant key controls to manage them, as well as to demonstrate that a sufficient level of assurance is gained from the effectiveness of those controls.

The framework comprises three lines of defence:

First line of defence

The first line of defence refers to those who carry out risk management at or close to the source of the risk and comprises the risk owners and risk takers in the Company.

Second line of defence

The second line of defence refers to a layer of independent risk controlling and oversight. It comprises of Operational Risk Management (which establishes and coordinates the assurance framework), Compliance, Insurance Risk Review and other risk management functions.

Third line of defence

The third line of defence comprises the independent review of processes and procedures by Group Internal Audit.

Assurance function interactions
While all functions retain their specific mandates and areas of expertise, by working together and relying where possible on each other's work, a holistic approach is assured under the coordinated assurance framework. Information, planning and execution of assurance work are coordinated and results are shared, reducing overlap between assurance units, increasing mutual reliance and providing an increased focus on pre-emptive assurance. The integrated approach is deployed within the following activities:
- risk scoping and assurance planning;
- coordination between assurance functions in business interactions;
- issue and action management interactions;
- monitoring across assurance functions; and
- reporting.

Implementation of the Compliance function
The Compliance Charter of the Company sets out the objective and purpose of the Company's Compliance function, as well as the overall roles and responsibilities for compliance with all applicable legal and regulatory requirements, the highest professional and ethical standards and its stated corporate values.

To ensure that the compliance objectives are met consistently with the expectations of regulatory authorities, shareholders, clients and other stakeholders, the Board supports best compliance practices and an appropriately resourced Compliance function.

The Compliance function is responsible for:
- providing primary assurance oversight and assisting management in the design of remedial actions and overseeing their implementation;
- overseeing compliance-related policies, guidelines and the Code of Conduct, and ensuring that these are regularly reviewed and up to date; and
- overseeing, as well as providing, appropriate compliance training to the Company's directors, officers and employees covering the Code of Conduct and certain related legal and regulatory compliance obligations.

The Compliance function is authorised to review all areas and to have full, unrestricted access to all activities, records, property, and personnel, including, without limitation, access to employee e-mail records, subject in all cases to applicable law. In addition, the Compliance function is operationally independent.

B5: Internal Audit function

Internal Audit function implementation
Group Internal Audit ("GIA") assists the Board to protect the assets, reputation and sustainability of the Company. GIA performs audit activities designed to assess the adequacy and effectiveness of the Company's internal control systems, and to add value through improving the Company's operations.

GIA provides written audit reports, identifying issues and management actions to the Board, management and external auditor on a regular basis. GIA monitors and verifies that management's actions have been effectively implemented. Significant issues, and issues that have not been effectively corrected, are highlighted to the Board.

Independence of the Internal Audit function
GIA performs its internal audit activities with independence and objectivity. Activities are coordinated with the other assurance functions. GIA has no direct operational responsibility or authority over any of the activities it reviews.

Authority is granted for full, free and unrestricted access to any and all of the Company's property and personnel relevant to any function under review. All employees are required to assist GIA in fulfilling their duty.

GIA staff govern themselves by adherence to The Institute of Internal Auditors' "Code of Ethics." The Institute of Internal Auditors' "International Standards for the Professional Practice of Internal Auditing" constitutes the operating guidance for the department. In addition, GIA adheres to the Group's guidelines and procedures, and GIA's organisation and processes, manuals and guidelines.

B6: Actuarial function

Implementation of the Actuarial function

The tasks of the Actuarial function under the Solvency II framework fall under the Company Appointed actuary.

- technical provisions calculations fall under supervision of the Appointed actuary,
- opinions on the underwriting policy and reinsurance adequacy are performed by the Appointed actuary,
- input and feedback into the risk modelling framework is provided by the Appointed actuary with consideration of the internal audit reports.

B7: Outsourcing

Outsourcing policy

The Company has adopted Swiss Re's comprehensive global outsourcing policy and has further specified the oversight framework which is approved by the Board in a separate addendum to Swiss Re's outsourcing policy.

The policy covers two types of outsourcing arrangements:

- external outsourcing, where the mandate is given to an external service provider; and
- intra-group outsourcing between Swiss Re entities.

The Company's outsourcing policy describes the approval process for critical or important outsourcing arrangements based on a pre-defined due diligence selection process and requires a set of standard terms to be included in the outsourcing agreement. Requirements for post-approval control and monitoring, documentation and reporting are described.

The Board approves the appointment of Outsourcing Managers for critical or important functions as well as the outsourcing of critical or important outsourcing arrangements on recommendation of the General Manager and the Chief Risk Officer. Additionally, the Transactions Committee can approve outsourcing arrangements associated with transactions, falling within certain thresholds, as determined by its charter.

The critical or important services related to Risk Management, Actuarial function, Compliance and Internal Audit are provided to the Company by other entities in the Swiss Re Group (all located in Europe) under intra-group outsourcing arrangements.

B8: Any other information

Assessment of adequacy of the system of governance

The Board carries out an annual evaluation of its system of governance against relevant best practice standards. During the reviews performed in 2016, the Board concluded that the system of governance is adequate to the nature, scale and complexity of the risks inherent in its business. This will however be revisited with the revised business strategy.

Other material information

There is no other material information to report for 2016.

Section C: Risk profile

Overview of risk exposure

The Company started trading in October 2014 and wrote a closed book of health insurance business. The majority of the portfolio has now run off with some unpaid claims as at year end 2016. Therefore, the underwriting and investment risks are minor.

The Company is exposed to a broad landscape of risks. These include core risks that are taken as part of insurance or asset management operations activities and are quantified in the Company's standard formula (please refer to Section B3 on page 16). In addition to these modelled risks, the Company is exposed to further risks that arise from undertaking business, including strategic, regulatory, political, reputational and liquidity risk. The following sections (C1 to C7) provide quantitative and qualitative information on these specific risk categories.

Modelled risks	Other risks
Underwriting risk	Strategic risk
	Regulatory risk
Financial market risk	Political risk
Credit risk	Reputational risk
Operational risk	Liquidity risk
Emerging risks	

Measures used to assess risks and material changes
The Company uses the Solvency II standard formula to assess all modelled risk categories. Separate risk modules are used to model the individual risk categories. Risks not covered by the SCR (strategic risks, regulatory risks, political risks, reputationa lrisk, liquidity risks and others) are regularly considered and assessed on a qualitative basis with various monitoring and reviews in place.

In line with the definition of Solvency II, the SCR of the Company measures the capital requirement at a 99.5% Value at Risk, which measures the annual loss with a recurring period of one in two hundred years.

Quantification of modelled risks by risk category
The table below sets out the quantification as at 31 December 2016 for the Company's modelled risks over the next twelve months. This represents the loss for each risk that is likely to be exceeded only once in 200 years. Due to diversification, the total risk of the Company is lower than the sum of the individual categories.

EUR thousand	2016
Underwriting risk	
▪ Life and health risk	19
Financial market risk – interest rate	18
Counterparty default risk	194
Diversification	-26
Operational risk	12
Total risk after intra-group transactions (net)	**218**

Risk concentration
The most significant risk concentration for the Company derives from intra-group reinsurance with other entities of the Group. These entities are well capitalised under Solvency II or Swiss Solvency Test (SST) framework, which is broadly similar to Solvency II. The SST capital requirements for these entities are determined by means of Swiss Re's internal risk model.

The counterparty default risk is dominated by the exposure to these reinsurance entities, but is deliberately taken as part of the Company's underwriting risk mitigation strategy.

C1: Underwriting risk

Risk exposure
Underwriting risk comprises exposures taken on by the Company when it writes health insurance business.

Health risk
Health risk arises from the business the Company takes on when providing morbidity (illness and disability) coverage.

Risk mitigation
The Company's underwriting risk is largely mitigated by a proportional intra-group reinsurance programme.

Sensitivity analysis and stress testing
During 2016, the Company did not perform sensitivity analysis and stress testing as the Company prepared to adopt a new business strategy and reduced its exposure accordingly.

Special purpose vehicles
The Company does not use special purpose vehicles.

C2: Financial market risk

Risk exposure
The value of the Company's assets or liabilities may be affected by movements in financial market prices or rates, such as interest rates and foreign exchange rates. The Company is exposed to such financial market risk from three main sources: through its investment activities, through the sensitivity of the economic value of liabilities to financial market fluctuations and expenses denominated in other currencies than euro.

List of assets
The Company invests in government bonds, cash, and cash equivalents. These assets have been invested in accordance with the prudent person principle as outlined in paragraph "The prudent person principle" on page 11.

Risk mitigation
The Company uses a prudent and effective asset and liability management process to mitigate financial market risks. Regular reporting monitors the effectiveness of the asset liability management process that is in place. The limits on asset classes are approved on an annual basis to take into account business planning and the strategic asset allocation plan; usage against approved limits is monitored regularly.

Sensitivity analysis and stress testing
During 2016, the Company did not perform sensitivity analysis and stress testing as the Company prepared to adopt a new business strategy and reduced its exposure accordingly.

C3: Credit risk

Risk exposure
Credit risk primarily reflects the risk of incurring a financial loss from the default of counterparties or of third parties. In addition, it takes account of the increase in risk represented by any deterioration in credit ratings. This risk arises directly from investment activities as well as from counterparty risk related to external credit risk and to intra-group counterparties which is reflected in default-related effects.

Risk mitigation
Risk Management regularly monitors corporate counterparty credit quality and exposures and compiles watch lists of cases that merit close attention. Risk Management monitors and reports credit exposure and limits on a regular basis in order to maintain exposure within approved limits. A governance framework is in place and appropriate actions will be taken when limits are close to being breached.

Sensitivity analysis and stress testing
During 2016, the Company did not perform sensitivity analysis and stress testing as the Company prepared to adopt a new business strategy and reduced its exposure accordingly.

C4: Liquidity risk

Risk exposure
The Company's exposure to liquidity risk stems from the fact that the Company is in its third year of operations. However, given the high liquidity of the Company's invested assets, the risk to its solvency due to not being able to fund claims payments is very remote.

Risk mitigation
The Company controls liquidity risk to ensure that it can satisfy claims payments, expenses, and collateral requirements and has a forward looking liquidity monitoring and reporting in place.

Sensitivity analysis and stress testing
During 2016, the Company did not perform sensitivity analysis and stress testing, given the current levels and nature of its liabilities and invested assets.

Amount of expected profit in future premiums
The total amount of expected profit in future premiums for the Company as at 31 December 2016 is nil.

C5: Operational risk

Risk exposure
Operational risk represents the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses.

The Company's business model relied on cooperation with distribution partners and third party administrators, with nearly all employees and services outsourced and provided to the Company by other companies within the Swiss Re Group or by third party administrators.

- The Company operates in the consumer and retail insurance domain, the current activities are restricted to a closed book of business with claims run-off. Hence, compliance risk exposure is primarily limited to the areas of fraud, data protection and outsourcing.
- The Company's business model with the high reliance on external third party providers increased operational risk exposure particularly related to outsourcing risk.

Hence, compliance, operational and outsourcing risk are the dominating risks in the Company's risk landscape.

Operational risk can be quantified by means of the Solvency II standard formula. In addition, operational risks are assessed and monitored qualitatively based on the Company's coordinated assurance framework.

Risk mitigation
The Company's coordinated assurance framework outlined in Section B4 is used to manage and mitigate operational risk. With the establishment of the conduct risk guidelines, which contribute to the Company's risk framework, the Company ensures that all customers are treated fairly. Outsourcing risk associated to the usage of third party providers is mitigated through a specifically developed third party administrator oversight framework.

Sensitivity analysis and stress testing
During 2016, the Company did not perform sensitivity analysis and stress testing as the Company prepared to adopt a new business strategy and reduced its exposure accordingly.

C6: Other material risks

No other material risks have been identified. However, a process is in place to track the development of emerging risks.

C7: Any other information

All material information has been disclosed above.

Section D: Valuation for solvency purposes

D1: Assets

Methods applied for valuation of material assets
Material assets on a Solvency II valuation basis as at 31 December 2016 were as follows (based on the Quantitative Reporting Template (QRT) Balance Sheet S.02.01.02):

EUR thousand	Solvency II	Company statutory	Difference
Investments (other than assets held for index-linked and unit-linked funds)	6 008	6 005	4
Cash and cash equivalents	1 512	1 512	0
Total of all other assets not listed above	685	380	305
Total assets	**8 205**	**7 896**	**309**

The following valuation methods were used to value material assets for Solvency II purposes:

Material assets	Quoted market price valuation
Investments (other than assets held for index-linked and unit-linked funds)	X
Cash and cash equivalents	X

Investments (other than assets held for index-linked and unit-linked funds)
Solvency II:
Investments consist of short-term government bonds which are valued at fair value, determined to the extent possible by reference to observable market prices.

Company statutory:
Shares and other variable yield transferable securities and units in unit trusts are valued at the lower of acquisition cost or market value. Debt securities and other fixed income transferable securities are valued at amortised cost.

The difference between Solvency II and Company statutory figures, which is immaterial, is due to the different valuation methods as described above.

Cash and cash equivalents
Solvency II & Company statutory:
Cash and cash equivalents are valued at nominal value.

There is no difference between Solvency II and Company statutory values for cash and cash equivalents.

Assumptions and judgements applied for valuation of material assets
Investments are valued at market value, which is determined by reference to observable market prices. Since Solvency II follows market valuation approach, the securities are not carried at more than recoverable amounts. There are no major sources of estimation uncertainty when using judgments to determine valuations.

Changes made to recognition and valuation basis of material assets during the period
Since incorporation in 2014 no changes have been made to the recognition and valuation basis or to estimation assumptions.

Drivers of difference between Solvency II and Company statutory accounts
The difference between Solvency II balance sheet and the Company statutory balance sheet are explained by the different valuation methodologies used as described in point 2 above.

Property (held for own use)
The Company does not hold any property for own use as at 31 December 2016.

Inventories
The Company does not hold any inventories as at 31 December 2016.

Intangible assets
The Company does not show any intangible assets on the Solvency II balance sheet as at 31 December 2016.

Financial assets

Methods and assumptions applied in determining the economic value

Quoted prices in active markets for identical assets are used to determine the economic value for the majority of securities. Most financial asset prices are sourced from Blackrock Solutions. The Company holds the list of vendors used by Blackrock Solutions to confirm pricing. In addition, all prices are reviewed by Swiss Re's independent pricing verification team to ensure agreement. When Blackrock Solutions prices are not available, a market price from an alternative source is selected. These are pre-agreed vendors, brokers, dealers or calculated prices depending on the type of financial assets. As at 31 December 2016, the investments were all valued using quoted market prices in active markets for identical assets.

Use of non-observable market data

The Company follows the valuation methodology as per Article 10 of the Commission Delegated Regulation (EU) 2015/35 which states that the use of quoted market prices in active markets for the same assets or liabilities, or, where that is not possible, for similar assets and liabilities, shall be the default valuation approach. This approach ensures that the values are not significantly higher or lower.

Significant changes to the valuation models used

The valuation policy has been approved by the Board during 2015.

Lease assets

As at 31 December 2016, the Company does not have any financial or operating leasing arrangements.

Deferred tax assets

Recognition of deferred tax assets

Due to materiality considerations, deferred income tax assets of zero have been recognised for all deductible temporary differences and for the carry forward on unused tax losses and unused tax credits, to the extent that the realisation of the related tax benefit through expected future taxable profits is probable.

Deferred tax asset recognition on tax losses is also determined by reference to the tax laws enabling such recognition on the same enacted or substantively enacted basis.

Amount for which no deferred tax asset is recognised

The amount of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the Solvency II balance sheet is zero, because of tax loss carry forward restrictions.

The expiry date, if any, for tax losses and tax credits, is dependent on the local tax law and hence varies depending on the relevant branch jurisdiction.

Temporary differences and unused tax losses are assumed to relate to the individual branch, and consistent with tax rules, there is no offsetting of deferred tax assets in one branch against deferred tax liabilities in a different branch.

Projected future taxable profits

Deferred tax assets to be recovered after more than 12 months are zero.
Deferred tax assets to be recovered within 12 months are zero.

The utilisation of deferred tax assets depends on projected future taxable profits, including those arising from the reversal of existing taxable temporary differences.

Actual tax losses suffered by the Company

Under general circumstances, actual tax losses suffered by the Company in either the current or preceding periods, in the tax jurisdiction to which the deferred tax assets are considered as a deferred tax asset, are taken into account to the extent that future tax benefits utilising these tax losses are probable.

Due to materiality, actual tax losses have not been taken into consideration.

Tax rate changes during the period

The tax rate changed in the UK jurisdiction to 19% from 1st April 2017, which is already applicable for the Deferred Tax calculation.

Valuation of related undertakings

As at 31 December 2016, the Company has no investments in related undertakings.

D2: Technical provisions

Life business

The Company does not write life business.

Non-life business

Material technical provisions by Solvency II classes of business

The following table shows the value of non-life technical provisions, based on QRT S.17.01, by material class of business as at 31 December 2016:

EUR thousand	Gross best estimate	Net best estimate	Risk margin	Total net technical provision
Medical expense insurance	405	67	2	69

Overview of methodology and assumptions

Best estimate

The estimation of the best estimate technical provisions is based on two steps:

- for all contract years, the nominal values of future payments related to premium, claims and commissions (including other contractual costs) are being estimated; and
- for all those nominal values, the timing of such future payments is being estimated.

Combining the payment patterns and nominal values provides the expected future cash flow streams. Applicable discount rates can be applied to these future cash flow streams for Solvency II reporting. Those estimates are being produced by a dedicated team of reserving actuaries, with the use classical actuarial methods such as analysing triangular information concerning the development of past premiums, claims and commissions.

Main assumptions

Estimating technical provisions is not a purely calculative process. Sometimes assumptions must be made in respect of some parameters in the calculations. If the historical development observed in data captured in a triangle does not cover the full possible development, the length and amount of future development beyond the last observed point (the tail) must be quantified based on assumptions. Another area where important assumptions are needed in reserving is the judgement on whether the future will proceed as in the recent past or whether a different future development should be expected compared to the (recent) past observed in historical data.

Risk margin

The risk margin is calculated under a transfer value approach, assuming that the insurance obligations are transferred to a so-called reference undertaking, which is assumed to be empty prior to the transfer and then funded with assets to cover the technical provisions. Since the calculation is based on the cost of holding required capital, assumptions around the risk margin rely on the calculation of the SCR and are explained and justified in the standard formula technical specification.

Solvency II additionally requires the allocation of the risk margin to the lines of business or segments as defined by the Solvency II regulation. The allocation is required to adequately reflect the contributions of the lines of business to the SCR of the reference undertaking over the lifetime of the insurance or reinsurance obligations. The allocation is not implemented as there is only one line of business.

Uncertainty associated with the technical provisions

Estimating technical provisions involves predicting future loss payments based on historical and existing information and knowledge, as well as judgment about future conditions. However, changes to historical patterns and trends, changes due to, among other factors, an evolving legal or social environment, claimants' attitudes regarding insurance claims, changes in the national or regional economic performance, or changes in Company operations and its book of business, make the incidence of claims more or less likely and claims' settlement values lower or higher.

Material differences between Solvency II and statutory technical provisions

Material differences by line of business between Solvency II and statutory net non-life technical provisions as at 31 December 2016 were as follows:

EUR thousand	Solvency II	Company statutory	Difference
Medical expense insurance	69	33	36

The actuarial methods and assumptions used for the valuation of the technical provisions for Solvency II purposes are not identical to those used for the preparation of the Company's statutory accounts. In the Company statutory figures, future cash flows are not being discounted (time value of money is not recognised), there is no concept of risk margin and the counter-party risk is not included in the valuation.

Recoverables due from reinsurance contracts
Net technical provisions take account of the reinsurance recoverables based on the underlying contracts. The reinsurance ceded is proportional reinsurance. Therefore, the determination of the reinsurance recoverable is a pure calculative process and does not require estimations, actuarial methods, assumptions, or other judgemental element. In the valuation of ceded reinsurance, the counterparty risk is being considered.

Material changes in assumptions made
During 2016, no assumption changes were implemented as the Company is running off a closed book.

Transitional measures
Not applicable to the Company.

D3: Other liabilities

Other material liabilities
Other Material liabilities by Solvency II valuation basis, as at 31 December 2016 were as follows (based on QRT Balance Sheet S.02.01):

EUR thousand	Solvency II	Company statutory	Difference
Payables (trade, not insurance)	105	105	0
Other provisions	40	40	0
Total of all other liabilities not listed above	3	5	–2
Total other liabilities	**148**	**150**	**–2**

Payables (trade, not insurance)
Solvency II & Company statutory:
Trade payables are valued at their settlement value. There is no difference between the Solvency II and the Company statutory valuation of trade payables.

Other provisions
Solvency II & Company statutory:
As at 31 December 2016, other provisions in the balance sheet correspond to other tax provisions. There is no difference between the Solvency II and the Company statutory valuation of other tax provisions.

Other classes of liabilities
The Company only applies liability classes as prescribed in the Solvency II balance sheet template.

Financial liabilities
The Company had no financial liabilities as at 31 December 2016.

Lease liabilities
As at 31 December 2016 the Company had no financial or operating lease liabilities.

Deferred tax liabilities
Due to materiality considerations, deferred income tax liabilities of zero have been recognised for all taxable temporary differences, which will result in higher future taxable income positions.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax liabilities to be settled after more than 12 months are zero.
Deferred tax liabilities to be settled within 12 months are zero.

Tax rate changes during the period
Please refer to the paragraph “Tax rate changes during the period” on page 18.

Contingent liabilities
The Company does not carry contingent liabilities on its Solvency II balance sheet as at 31 December 2016.

Employee benefits
As at 31 December 2016 the Company had no employee obligations.

Changes during the reporting period
No changes have been made to the recognition and valuation bases used or on estimations during 2016.

Assumptions and judgements
No assumptions or judgments contribute materially to the valuation of other liabilities.

D4: Alternative methods of valuation

As at 31 December 2016, the Company does not use alternative valuation methods.

D5: Any other information

Other material information
All material information regarding the valuation of assets and liabilities for Solvency II purposes have been described in the sections above.

Section E: Capital management

E1: Own funds

Solvency ratios

The solvency ratio expressed as eligible own funds as a percentage of the SCR as at 31 December 2016 was equal to 3 512%.

Furthermore, as the SCR is below the Absolute Minimum Capital Requirement of EUR 2 500 thousand, the solvency ratio expressed as eligible own funds as a percentage of the MCR as at 31 December 2016 was equal to 306%.

Own funds – objectives, policies and processes

The Company ensures that it is appropriately capitalised for the risks that it incurs. The capital structure and the level of capitalisation are determined by regulatory capital requirements, management's assessment of the risks and opportunities arising from business operations and by financial management considerations.

The Company monitors the capitalisation level on a regular basis taking into account relevant developments in the risk landscape and in its business portfolio.

Own funds – time horizon used for capital planning

The Company considers one-year and three-year time horizons for its capital planning.

Own funds by tier

The value of own funds, all tier 1, based on QRT Own Funds S.23.01.01, as at 31 December 2016 was as follows:

EUR thousand	2016
Ordinary share capital (gross of own shares)	5 000
Share premium account related to ordinary share capital	3 000
Legal reserve	28
Reconciliation reserve	–378
Total basic own funds after adjustments	**7 650**

Eligible amount of own funds to cover the Solvency Capital Requirement

The eligible amount of own funds to cover the SCR for 2016 is EUR 7 650 thousand, all of which is classified as tier I.

Restrictions to available own funds

There are no restrictions to available own funds as at 31 December 2016.

Eligible amount of basic own funds to cover the minimum capital requirement

The eligible amount of basic own funds to cover the MCR for 2016 is EUR 7 650 thousand, all of which is classified as tier I.

Differences between equity in Solvency II and Company statutory accounts

The material differences in equity as showed in the Company statutory accounts and Solvency II as at 31 December 2016 were as follows:

EUR thousand	Equity reconciliation
Equity per Company statutory accounts (excluding retained earnings)	8 028
Reconciliation reserve	–378
Equity per Solvency II	**7 650**

Reconciliation reserve

Solvency II

The reconciliation reserve represents the movement in the valuation of assets, technical provisions or other liabilities in the adoption of the Solvency II valuation as well as retained earnings including existing period results.

Company statutory

Equivalent to the retained earnings account which represents the balance of profit and loss brought forward including current year results.

Basic own funds subjected to transitional arrangements

No own funds items are subject to transitional arrangements.

Ancillary own funds

There are no ancillary own funds in the Company.

Items deducted from own funds
No items have been deducted from own funds of the Company.

Subordinated capital instrument in issue at period end
There are no subordinated capital instruments in the Company.

Capital instruments issued as debts
Not applicable to the Company.

Value of subordinated debt
There are no subordinated capital instruments in the Company.

Principal loss absorbency mechanism
The Company does not have a loss absorbency mechanism that qualifies as high quality own funds instruments.

Key elements of the reconciliation reserve
The reconciliation reserve based on QRT Own Funds S.23.01.01 as at 31 December 2016 was as follows:

EUR thousand	2016
Excess of assets over liabilities	7 650
Equity per the Company statutory accounts (excluding retained earnings)	–8 028
Reconciliation reserve	**–378**

The difference between the excess of assets over liabilities under Solvency II and the equity value shown in the Company statutory accounts is mainly due to different valuations applied under Solvency II for assets and technical provisions.

Total excess of assets over liabilities within ring fenced funds
The Company does not have any ring fenced funds.

E2: Solvency Capital Requirement and Minimum Capital Requirement

Solvency Capital Requirement and Minimum Capital Requirement
As at 31 December 2016 the Company's SCR was EUR 218 thousand and the MCR was EUR 2 500 thousand.

Solvency Capital Requirement split by risk category
The Company uses the Standard Formula to measure its capital requirement using 99.5% Value at Risk as described in Section C. The table below quantifies the Company's modelled risks categories as at 31 December 2016.

EUR thousand	2016
Life and health underwriting risk	19
Financial market risk	18
Counterparty default risk	194
	231
Diversification	–26
Basic SCR	**205**
Operational risk	12
Shock Solvency Capital Requirement	**218**
Deferred tax impact	–
SCR	**218**

Simplification calculation
No simplifications apply in the calculation of the SCR.

Standard formula parameters
No undertaking-specific parameters are applied.

Non-disclosure of capital add-on during transitional period ending no later than 31 October 2017
This is not applicable to the Company.

Standard formula capital add on applied to Solvency Capital Requirement
This is not applicable to the Company.

Information on inputs used to calculate Minimum Capital Requirement
Inputs used to calculate the MCR for non-life insurance or reinsurance obligations include premiums written during the last 12 months, split by lines of business and best estimate technical provisions without a risk margin, split by lines of business.

E3: Duration-based equity risk

Indication that the Company is using duration-based equity risk submodule
Not applicable to the Company.

E4: Differences between the standard formula and the internal model

The structure of the internal model
The Company does not use an internal model.

Risk categories concerned and not concerned by internal model
The Company does not use an internal model.

Aggregation methodologies and diversification effects
The Company does not use an internal model.

Risk not covered in the standard formula but covered by the internal model
The Company does not use an internal model.

E5: Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

The Company complied with its SCR and MCR during 2016.

E6: Any other information

All material information regarding the capital management has been described in the sections above.

Glossary

Board	The Board of Directors of the Company.
CAA	Commissariat aux Assurances, Luxembourg.
Claim	Demand by an insured for indemnity under an insurance contract.
Cover	Insurance and reinsurance protection of one or more specific risk exposures based on a contractual agreement.
Company	Swiss Re Portfolio Partners S.A. (formerly iptiQ Insurance S.A.)
GIA	Group Internal Audit.
Health insurance	Generic term applying to all types of insurance indemnifying or reimbursing for losses caused by bodily injury or sickness or for expenses of medical treatment necessitated by sickness or accidental bodily injury.
Intra-group reinsurance	Reinsurance between subsidiaries of the same parent company or between a subsidiary and its parent; Intra-group reinsurance aims to optimize capital allocation and tax efficiency for the Swiss Re Group as well as ensure adherence to regulatory solvency requirements.
Intra-group transaction	This can be either in the form of a proportional (e.g. quota-share) or non-proportional (e.g. stop-loss or Cat XL) agreement.
Key functions	Risk Management, Compliance, Internal Audit and Actuarial.
Key function holder	The Board nominates individuals as designated representatives of the respective key functions towards the Company.
Minimum Capital Requirement, MCR	If, despite supervisory intervention, the available resources of the insurer fall below the Minimum Capital Requirement, then "ultimate supervisory action" will be triggered. In other words, the insurer's liabilities will be transferred to another insurer and the license of the insurer will be withdrawn or the insurer will be closed to new business and its in-force business will be liquidated.
Non-life insurance	All classes of insurance business excluding life insurance.
Non-proportional reinsurance	Form of reinsurance in which coverage is not in direct proportion to the original insurer's loss; instead the reinsurer is liable for a specified amount which exceeds the insurer's retention; also known as "excess of loss reinsurance".
Operational risk	Risk arising from failure of operational processes, internal procedures and controls leading to financial loss.
ORSA	Own Risk and Solvency Assessment.
Own Funds	Excess of Assets over Liabilities including any amount that is deemed suitable to provide support for the Solvency Capital Requirement.
Premium	The payment, or one of the periodical payments, a policyholder agrees to make for an insurance policy.
Premiums earned	Premiums an insurance company has recorded as revenues during a specific accounting period.
Premiums written	Premiums for all policies sold during a specific accounting period.
Proportional reinsurance	Form of reinsurance arrangement in which the premiums earned and the claims incurred of the cedent are shared proportionally by the cedent and the reinsurer.
QRT	Quantitative Reporting Template.
Reinsurance	Insurance which lowers the risk carried by primary insurance companies. Reinsurance includes various forms such as facultative, financial, non-proportional, proportional, quota share, surplus and treaty reinsurance.
Reserves	Amount required to be carried as a liability in the financial statements of an insurer or reinsurer to provide for future commitments under outstanding policies and contracts.
Retrocession	Amount of the risk accepted by the reinsurer which is then passed on to other reinsurance companies.
Risk	Condition in which there is a possibility of injury or loss; also used by insurance practitioners to indicate the property insured or the peril insured against.
Risk management	Management tool for the comprehensive identification and assessment of risks based on knowledge and experience in the fields of natural sciences, technology, economics and statistics.
Risk profile	Threats to which an organisation is exposed. The risk profile will outline the type of risks and potential effect of the risks. This outline allows a business to anticipate additional costs or disruptions to operations.
Securitisation	Financial transactions in which future cash flows from assets (or insurable risks) are pooled, converted into tradable securities and transferred to capital market investors. The assets are commonly sold to a special-purpose entity, which purchases them with cash raised through the issuance of beneficial interests (usually debt instruments) to third-party investors.
SFCR	Solvency and Financial Condition Report.

Solvency Capital Requirement, SCR	Solvency Capital Requirement under Solvency II – calculated using the standard formula. The Solvency Capital Requirement is based on a value at risk measure calibrated to a 99.5% confidence level over a 1-year time horizon.
Swiss Re or Swiss Re Group or the Group	For the purposes of this report, the ultimate parent company and all its subsidiaries are referred to as Swiss Re or the Swiss Re Group or the Group.
Swiss Solvency Test	Switzerland already introduced an economic and risk-based insurance regulation, similar to the objectives of the Solvency II project in the EU. Since 2008, all insurance and reinsurance companies writing business in Switzerland have had to implement the Swiss Solvency Test, and since 1 January 2011, the Swiss Solvency Test-based target capital requirement has been in force and companies must achieve economic solvency.
Target capital	Defined by the Capitalisation Policy.
Technical result	Underwriting result defined as nominal premiums less nominal commissions and claims.
Underwriting performance	Premiums earned less the sum of claims paid, change in the provision for unpaid claims and claim adjustment expenses and expenses (acquisition costs and other operating costs and expenses).
US GAAP	United States Generally Accepted Accounting Principles are the accounting rules, as issued by the Financial Accounting Standards Board, its predecessors and other bodies, used to prepare financial statements for publicly traded companies in the United States.
Value at risk	Maximum possible loss in market value of an asset portfolio within a given time span and at a given confidence level. 99% value at risk measures the level of loss likely to be exceeded in only one year out of a hundred, while 99.5% value at risk measures the loss likely to be exceeded in only one year out of two hundred. 99% tail value at risk estimates the average annual loss likely to occur with a frequency of less than once in one hundred years.

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Appendix
SFCR Public Disclosure Templates

Report:	S.02.01.02
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency:	Eur thousand

Balance sheet

		Solvency II value
Assets		**C0010**
Goodwill	**R0010**	
Deferred acquisition costs	**R0020**	
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	6'008
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	6'008
Government Bonds	**R0140**	6'008
Corporate Bonds	**R0150**	
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	
Reinsurance recoverables from:	**R0270**	338
Non-life and health similar to non-life	**R0280**	338
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	338
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	0
Reinsurance receivables	**R0370**	5
Receivables (trade, not insurance)	**R0380**	342
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	1'512
Any other assets, not elsewhere shown	**R0420**	
Total assets	**R0500**	8'205

Report:	S.02.01.02
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency:	Eur thousand

		Solvency II value
Liabilities		**C0010**
Technical provisions – non-life	**R0510**	407
Technical provisions – non-life (excluding health)	**R0520**	
Technical provisions calculated as a whole	**R0530**	
Best Estimate	**R0540**	
Risk margin	**R0550**	
Technical provisions - health (similar to non-life)	**R0560**	407
Technical provisions calculated as a whole	**R0570**	
Best Estimate	**R0580**	405
Risk margin	**R0590**	2
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	
Technical provisions - health (similar to life)	**R0610**	
Technical provisions calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	
Technical provisions calculated as a whole	**R0660**	
Best Estimate	**R0670**	
Risk margin	**R0680**	
Technical provisions – index-linked and unit-linked	**R0690**	
Technical provisions calculated as a whole	**R0700**	
Best Estimate	**R0710**	
Risk margin	**R0720**	
Other technical provisions	**R0730**	
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	40
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	
Derivatives	**R0790**	
Debts owed to credit institutions	**R0800**	
Financial liabilities other than debts owed to credit institutions	**R0810**	
Insurance & intermediaries payables	**R0820**	3
Reinsurance payables	**R0830**	-
Payables (trade, not insurance)	**R0840**	105
Subordinated liabilities	**R0850**	
Subordinated liabilities not in Basic Own Funds	**R0860**	
Subordinated liabilities in Basic Own Funds	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	-
Total liabilities	**R0900**	555
Excess of assets over liabilities	**R1000**	7'650

Report:	S.05.01.02.non-life
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency:	Eur thousand

Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	Total
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written																		
Gross - Direct Business	**R0110**																	
Gross - Proportional reinsurance accepted	**R0120**																	
Gross - Non-proportional reinsurance accepted	**R0130**																	
Reinsurers' share	**R0140**																	
Net	**R0200**																	
Premiums earned																		
Gross - Direct Business	**R0210**																	
Gross - Proportional reinsurance accepted	**R0220**																	
Gross - Non-proportional reinsurance accepted	**R0230**																	
Reinsurers' share	**R0240**																	
Net	**R0300**																	
Claims incurred																		
Gross - Direct Business	**R0310**	-278																-278
Gross - Proportional reinsurance accepted	**R0320**																	
Gross - Non-proportional reinsurance accepted	**R0330**																	
Reinsurers' share	**R0340**	-130																-130
Net	**R0400**	-148																-148
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**	454																454
Other expenses	**R1200**																	
Total expenses	**R1300**																	454

Report:	S.05.02.01.non-life
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency:	Eur thousand

Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - non-life obligations				
	R0010			(IE) Ireland				
		C0080	C0140	C0090	C0090	C0090	C0090	C0090
Premiums written								
Gross - Direct Business	R0110							
Gross - Proportional reinsurance accepted	R0120							
Gross - Non-proportional reinsurance accepted	R0130							
Reinsurers' share	R0140							
Net	R0200							
Premiums earned								
Gross - Direct Business	R0210							
Gross - Proportional reinsurance accepted	R0220							
Gross - Non-proportional reinsurance accepted	R0230							
Reinsurers' share	R0240							
Net	R0300							
Claims incurred								
Gross - Direct Business	R0310		-278	-278				
Gross - Proportional reinsurance accepted	R0320							
Gross - Non-proportional reinsurance accepted	R0330							
Reinsurers' share	R0340		-130	-130				
Net	R0400		-148	-148				
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		454	454				
Other expenses	R1200							
Total expenses	R1300		454					

Report:	S.17.01.02
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency	Eur thousand

Non-life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010																	
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																	
Technical provisions calculated as a sum of BE and RM																		
Best Estimate																		
Premium provisions																		
Gross	R0060																	
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140																	
Net Best Estimate of Premium Provisions	R0150																	
Claims provisions																		
Gross	R0160	405																405
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	338																338
Net Best Estimate of Claims Provisions	R0250	67																67
Total Best estimate - gross	R0260	405																405
Total Best estimate - net	R0270	67																67
Risk margin	R0280	2																2
Amount of the transitional on Technical Provisions																		
Technical provisions calculated as a whole	R0290																	
Best Estimate	R0300																	
Risk margin	R0310																	
Technical provisions - total																		
Technical provisions - total	R0320	407																407
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	338																338
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	69																69

Report:	S.19.01.21
Reporting entity:	Swiss Re Portfolio Partners SA
Due date:	31.12.2016
Reporting currency:	Eur thousand

Non-life insurance claims information

Total Non-Life Business

Accident year / Underwriting year	Z0010	(1) Underwriting year

Gross Claims Paid (non-cumulative)

(absolute amount)

Year		Development year 0	1	2	3	4	5	6	7	8	9	10 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100											
N-9	R0160											
N-8	R0170											
N-7	R0180											
N-6	R0190											
N-5	R0200											
N-4	R0210											
N-3	R0220											
N-2	R0230	-429										
N-1	R0240											
N	R0250											

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100		
	R0160		
	R0170		
	R0180		
	R0190		
	R0200		
	R0210		
	R0220		
	R0230		-429
	R0240		
	R0250		
Total	R0260		-429

Gross undiscounted Best Estimate Claims Provisions

Year		Development year 0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											
N-9	R0160											
N-8	R0170											
N-7	R0180											
N-6	R0190											
N-5	R0200											
N-4	R0210											
N-3	R0220											
N-2	R0230											
N-1	R0240	601	405									
N	R0250											

		Year end (discounted data)
		C0360
	R0100	
	R0160	
	R0170	
	R0180	
	R0190	
	R0200	
	R0210	
	R0220	
	R0230	
	R0240	405
	R0250	
Total	R0260	405

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Reporting currency:	Eur thousand

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35		C0010	C0020	C0030	C0040	C0050
Ordinary share capital (gross of own shares)	R0010	5'000	5'000			
Share premium account related to ordinary share capital	R0030	3'000	3'000			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070	28	28			
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	-378	-378			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
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					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	7'650	7'650			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	7'650	7'650			
Total available own funds to meet the MCR	R0510	7'650	7'650			
Total eligible own funds to meet the SCR	R0540	7'650	7'650			
Total eligible own funds to meet the MCR	R0550	7'650	7'650			
SCR	R0580	218				
MCR	R0600	2'500				
Ratio of Eligible own funds to SCR	R0620	3512%				
Ratio of Eligible own funds to MCR	R0640	306%				

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Reconciliation reserve		**C0060**
Excess of assets over liabilities	**R0700**	7'650
Own shares (held directly and indirectly)	**R0710**	
Foreseeable dividends, distributions and charges	**R0720**	
Other basic own fund items	**R0730**	8'028
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	
Reconciliation reserve	**R0760**	-378
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	**R0770**	
Expected profits included in future premiums (EPIFP) - Non-life business	**R0780**	
Total Expected profits included in future premiums (EPIFP)	**R0790**	

Report:	S.25.01.21
Reporting entity:	Swiss Re Portfolio Partners SA
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Reporting currency:	Eur thousand

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	**R0010**	18		
Counterparty default risk	**R0020**	194		
Life underwriting risk	**R0030**	0		
Health underwriting risk	**R0040**	19		
Non-life underwriting risk	**R0050**	0		
Diversification	**R0060**	-26		
Intangible asset risk	**R0070**	0		
Basic Solvency Capital Requirement	**R0100**	206		

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Calculation of Solvency Capital Requirement

		C0100
Operational risk	R0130	12
Loss-absorbing capacity of technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement, excluding capital add-on	R0200	218
Capital add-ons already set	R0210	0
Solvency capital requirement	R0220	218
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0.00

Report:	S.28.01.01
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Reporting currency:	Eur thousand

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

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	**R0010**	3

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	**C0030**
Medical expense insurance and proportional reinsurance	**R0020**	67	0
Income protection insurance and proportional reinsurance	**R0030**		
Workers' compensation insurance and proportional reinsurance	**R0040**		
Motor vehicle liability insurance and proportional reinsurance	**R0050**		
Other motor insurance and proportional reinsurance	**R0060**		
Marine, aviation and transport insurance and proportional reinsurance	**R0070**		
Fire and other damage to property insurance and proportional reinsurance	**R0080**		
General liability insurance and proportional reinsurance	**R0090**		
Credit and suretyship insurance and proportional reinsurance	**R0100**		
Legal expenses insurance and proportional reinsurance	**R0110**		
Assistance and proportional reinsurance	**R0120**		
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**		
Non-proportional health reinsurance	**R0140**		
Non-proportional casualty reinsurance	**R0150**		
Non-proportional marine, aviation and transport reinsurance	**R0160**		
Non-proportional property reinsurance	**R0170**		

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Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	**R0200**	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	**C0060**
Obligations with profit participation - guaranteed benefits	**R0210**		
Obligations with profit participation - future discretionary benefits	**R0220**		
Index-linked and unit-linked insurance obligations	**R0230**		
Other life (re)insurance and health (re)insurance obligations	**R0240**		
Total capital at risk for all life (re)insurance obligations	**R0250**		0

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Reporting currency:	Eur thousand

Overall MCR calculation		**C0070**
Linear MCR	**R0300**	3
SCR	**R0310**	218
MCR cap	**R0320**	98
MCR floor	**R0330**	54
Combined MCR	**R0340**	54
Absolute floor of the MCR	**R0350**	2'500
Minimum Capital Requirement	**R0400**	2'500