Swiss Re

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

Solvency and Financial Condition Report

For the year ended 31 December 2017

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. ("The Company"), was incorporated on 27 January 2014 in the Grand Duchy of Luxembourg to conduct non-life insurance business through branches in Ireland, the United Kingdom and Italy. The Company operates through three branches in the European Union. The Company did not write any business during the period ending 31 December 2017.
- The underwriting performance for 2017 was a loss of EUR 616 thousand (2016: EUR 299 thousand). The underwriting performance is mainly driven by the increase of the administrative expenses, net claims incurred, partially offset by other technical income related to actual recoverables.
- For the year ended 31 December 2017, the investment result in 2017 is a net charge amount of EUR 61 thousand (2016: EUR 39 thousand). This result stems from the negative yield on German short-term bonds, which were the sole investment item of the investment portfolio as of 31 December 2017.

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 members of the Board and Committees.
- The Board carries out an annual evaluation of its system of governance against relevant best practice standards. During the reviews performed in 2017, the Board concluded that the system of governance is adequate to the nature, scale and complexity of the risks inherent in its business.

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 Company has not assumed new risks in 2017. The core risk profile is expected to change in line with the business strategy.

Valuation for Solvency purposes

Non-life technical provisions

The total non-life net technical provision of EUR 97 thousand (2016: EUR 69 thousand) under Solvency II valuation is compared to the Company Statutory amount of EUR 68 thousand (2016: EUR 33 thousand). The key difference between the two accounting standards:

- in the Company Statutory figures, future cash flows are not discounted (time value of money is not recognised)
- there is no concept of risk margin
- the counter-party risk is not included in the valuation

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 7 021 thousand as at 31 December 2017 (2016: EUR 7 650 thousand).
- The Solvency Capital Requirement was EUR 507 thousand as at 31 December 2017 (2016: EUR 218 thousand). The Minimum Capital Requirement amounted to EUR 3 700 thousand (2016: EUR 2 500 thousand), increased due to the extension of the Company's license to all non-life insurance classes.
- The Solvency ratio expressed as eligible own funds as a percentage of the Solvency Capital Requirement, as at 31 December 2017 was equal to 1 385% (2016: 3 512%). The Solvency ratio expressed as eligible own funds as a percentage of the Minimum Capital Requirement as at 31 December 2017 was equal to 190% (2016: 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) 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 carry on class 1 and class 2 of non-life insurance business as set out in Annex I, part A of the law of 7 December 2015 on the insurance sector, as amended (the "Insurance Law"). On 11 August 2017, the Finance Ministry approved an extension of the Company's license to all non-life insurance classes, with the exception of the classes 17 (Legal expenses) and 18 (Assistance).

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

Ultimate parent company and group supervisor

The ultimate parent company is Swiss Re Ltd, a joint stock company, listed in accordance with the International Reporting Standard on the SIX Swiss Exchange, domiciled at Mythenquai 50/60 in 8022 Zurich, Switzerland, and organised under the laws of 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
Laupenstrasse 27
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 immediate 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 100% of the shares of the Company.

Material related undertakings

As at 31 December 2017, 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 2017 were as follows:

Swiss Re Ltd	100%
Swiss Reinsurance Company Ltd	100%
Swiss Re Reinsurance Holding Company Ltd	100%
Swiss Re Europe Holdings S.A.	100%
Swiss Re Portfolio Partners S.A. (formerly iptiQ Insurance S.A.)	

Material lines of business and geographical areas

The Company operates through three branches in the European Union. The Company did not write any new business during the period ending 31 December 2017.

Material lines of business

The only line of business for the period ending 31 December 2017 was medical expense insurance.

Significant business or other events

No significant business or other events that would have had a material impact on the Company occurred during the year.

A2: Underwriting performance

Underwriting performance

The underwriting performance by material line of business, for the period ending 31 December 2017, was as follows:

EUR thousands	2016	2017
Medical expense insurance	–297	–616
Total	**–297**	**–616**

The underwriting performance by material countries, for the period ending 31 December 2017, was as follows:

EUR thousands	2016	2017
Ireland	–297	–616
Total	**–297**	**–616**

The underwriting performance in 2017 amounted to a loss of EUR 616 thousand (2016: a loss of EUR 297 thousand). The technical result is mainly driven by the increase of the administrative expenses amounting to EUR 602 thousand (2016: EUR 445 thousand), net claims incurred of EUR 218 thousand (2016: EUR 23 thousand) and other net technical charges of EUR 103 thousand (2016: EUR 211 thousand), partially offset by other technical income related to actual recoverables of EUR 309 thousand (2016: EUR 382 thousand).

A3: Investment performance

Investment results

Investment income and expenses by investment assets category, for the period ending 31 December 2017, were as follows:

EUR thousands	2016	2017
Gains on realisation of investments	0	0
Total investment income	**0**	**0**
Investment management charges, including interest	–39	–61
Losses on realisation of investments	0	0
Total investment charges	**–39**	**–61**

For the year ended 31 December 2017, the investment result is a net charge amounting to EUR 61 thousand (2016: EUR 39 thousand). This result stems from the negative yield on German short-term bonds, which were the sole investment item of the investment portfolio as of 31 December 2017.

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 and 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 2017.

A5: Any other information

Other material information

There is no other material information to report for the period ended 31 December 2017.

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 members 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 2017, the Board had five members, all being 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 Audit Committee of the Company
- the Solvency II Committee of the Company
- the General Manager of the Company
- the General Manager Committee of the Company
- the Branch Managers of the Company
- the Key Function Holders of the Company

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

Delegations:
Audit Committee
The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities as they relate to the integrity of the Company's financial statements (including its Luxembourg Statutory returns), the Company's internal controls, as well as the qualifications, independence and performance of the external auditor.

Solvency II Committee
The purpose of the Solvency II Committee is to assist the Board and the General Manager of the Company in fulfilling obligations under Solvency II. The Solvency II Committee is in particular authorised to take Solvency II-related decisions on operational matters and to submit proposals and recommendations on Solvency II strategic matters to the Board.

General Manager
The General Manager is in charge of the day-to-day management of the Company and represents the Company towards 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 legal entity. The General Manager Committee ensures, in particular, that any material matters relating to the legal entity 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 legal entity 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 key functions.

There is a clear separation between the risk-taking and risk controlling (assurance) roles. The role of the assurance functions defined as key or critical under the Solvency II framework, ie Risk Management, Compliance, Internal Audit and Actuarial (referred to as "key functions"), is 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 paragraph "Implementation of the Compliance function" on page 11 for details of the Compliance function.

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

Key function holders
The Board nominates individuals as designated representatives of the respective key functions towards the Company and monitors the key functions to ensure that they are adequately staffed with professionals possessing the requisite professional qualifications, knowledge and experience. Key function holders operate under the oversight of the Board.

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 shall 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, the Audit Committee and the General Manager Committee on any issues that could have an impact on the Company.

Material changes in the system of governance
The composition of the Board was significantly changed in February 2017. The Audit Committee of the Company was established by resolution of the Board on 15 September 2017. The Transactions Committee established in 2016 has been dissolved by resolution of the Board effective 13 February 2017. There were no further material changes in 2017. Please refer to paragraph "Organisational structure and system of governance" on page 7.

Remuneration policy and practices
The Company adopted the Swiss Re Standard on Compensation which captures Swiss Re's compensation framework and governance, outlines the compensation process across the Group and provides key guidelines for the execution of individual compensation actions.

Swiss Re aims for total compensation that is competitive in the market and also seeks to ensure that total compensation is well-balanced in terms of fixed versus variable compensation and in terms of short-term versus long-term incentives. This is to encourage sustainable performance and appropriate risk-taking in line with the business and risk strategy.

Swiss Re has several incentive programmes that 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. These programmes support closer alignment of the interests of shareholders and employees.

However, the Company had no employees during 2017.

Compensation framework for the Board

Compensation structure for non-executive directors

The non-executive members of the Board and Board Committees of the Company receive their fees 100% 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 Swiss Re Group level. The formal decision is taken at the General Shareholders Meeting of the Company. Any compensation paid to non-executive directors who are also members of the Swiss Re Ltd Board of Directors (or Group Executive Committee, if any) is subject to approval by the Annual General Meeting of Swiss Re Ltd and may only be paid after due authorisation. 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.

Performance criteria

The Company had no employees during 2017.

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 2017, 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 the table below.

Stage	Activities
Initial assessment	The Company has adopted a specific policy and applies specific standards describing the appointment process and the skill/experience approvals required. The Company screens up-front (eg CV, passport, criminal records, check) nominees and uses the Swiss Re Group approval process and fitness and propriety assessment.
Induction	Newly appointed 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 (eg training needs, suggested changes to board committees) 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 the Board of the Company and are 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 support controlled risk-taking and the efficient, risk-adjusted allocation of capital. Risk Management is based on four guiding principles. These apply consistently across all risk categories:

- *Controlled risk-taking* - Financial strength and sustainable value creation are central to Swiss Re's value proposition. The Company thus operates within a clearly defined risk policy and risk control framework.
- *Clear accountability* - Swiss Re's operations are based on the principle of delegated and clearly defined authority. Individuals are accountable for the risks they take on, and their incentives are aligned with Swiss Re's overall business objectives.
- *Independent risk controlling* - Dedicated units within Risk Management control all risk-taking activities. These are supported by Compliance and Group Internal Audit functions.
- *Transparency* - Risk transparency, knowledge sharing and responsiveness to change are integral to the risk control process. 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 Audit Committee as well as to the Board.

Risk identification

For its risk identification process, the Company applies the 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.

Risk appetite framework and limits

The Company's risk appetite framework establishes the overall approach through which the Company practices controlled risk-taking and leverages the Group's risk appetite framework as provided in the Group's Risk Policy framework adopted by the Board of Directors of the Company. The Company's risk tolerance is driven by its Legal Entity Capitalisation Policy which defines the target capital as the minimum available capital that the Company needs to hold in relation to the risks that it assumes.

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 Board has delegated certain responsibilities and authorities to the Audit Committee as well as to the Solvency II Committee.

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 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 uses the standard formula.

Process for accepting changes to the internal model

This is not applicable as the Company does not use an internal risk model.

Material changes to the internal model governance

This is not applicable as the Company does not use an internal risk model.

Internal model validation tools and processes

This is not applicable as the Company does not use an internal risk 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. This is done 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.

ORSA process
The 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 three-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 to 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 Company has established appropriate ORSA governance and process standards. The Chief Risk Officer maintains operational responsibility for carrying out the ORSA process and delivering the ORSA reports to the Board for approval.

Review of ORSA
The ultimate responsibility for the ORSA rests with the Board, which reviews and approves the results of the ORSA process at least annually. However, as the Company currently possesses neither material business volume nor projections for new business, the Board has decided not to conduct an ORSA in 2017.

Risk tolerance and appetite assessment of the plan
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 risk-based capitalisation position of the Company is monitored on a frequent 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. The ORSA process uses scenarios to stress the plan and assess the resilience of the solvency through the plan period, including identifying relevant actions that may be considered to mitigate the potential downsides.

The Company currently currently possesses neither material business volume nor projections for new business. On this basis and for materiality reasons, the Board has decided not to conduct an ORSA in 2017.

B4: Internal control system

Internal control system
Coordinated assurance framework
Swiss Re's coordinated assurance framework is 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.

Risk-taking activities are typically subject to three lines of control: The first line comprises the day-to-day risk control activities performed by risk takers in the business as well as in other functions of the Company. Independent oversight performed by functions such as Risk Management and Compliance represents the second line of control. The third line consists of independent audits of processes and procedures carried out by Group Internal Audit or by external auditors.

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
- 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
- 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 responsibility of the Company's appointed actuary.
- technical provisions calculations fall under his supervision
- 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 has been 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
- intra-group outsourcing between Swiss Re entities

The Company's outsourcing policy introduces an 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.

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 2017, the Board concluded that the system of governance is adequate to the nature, scale and complexity of the risks inherent in its business.

Other material information
The Company was authorised by the Finance Ministry to carry on class 1 and class 2 of non-life insurance business as set out in Annex I, part A of the law of 7 December 2015 on the insurance sector, as amended. On 11 August 2017, the Finance Ministry approved an extension of the Company's license to all non-life insurance classes, with the exception of the classes 17 (Legal expenses) and 18 (Assistance).

In addition to the branches in Ireland and in the United Kingdom, which were opened in 2014, a branch in Italy has been established following a resolution of the Board of Directors dated 13 February 2017. There is no other material information to report for 2017.

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 2017. Therefore, the underwriting and investment risks are minor.

The risks the Company is exposed to include core risks that are taken as part of insurance or asset management operations activities. These are quantified using the Solvency II standard formula (please refer to Section B3 on page 10). In addition to these 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 (liquidity risks, strategic risks, regulatory, political risks, and others) are 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 quantifies the Company's risks as at 31 December 2017 for the Company's risk categories over the next twelve months. This represents the loss for each risk category 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 thousands	2016	2017
Underwriting risk		
Life and health risk	19	19
Financial market risk	18	12
Counterparty default risk	194	489
Diversification	–26	–23
Operational risk	12	10
Solvency II SCR	**218**	**507**

Risk concentration

The most significant risk concentration for the Company's underwriting risk derives from intra-group reinsurance with other entities of the Group. These entities are well capitalised. For the details of solvency position of Swiss Reinsurance Company Ltd, please refer to the Swiss Re Group website: http://www.swissre.com/investors/ratings/.

The underwriting risk of the Company is dominated by counterparty default risk towards the third party administrator.

C1: Underwriting risk

Risk exposure

Underwriting risk comprises exposures taken on by the Company from its health insurance business.

Health risk

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

Credit underwriting risk

The Company does not conduct credit and surety underwriting.

Material risk developments over the reporting period
The life and health underwriting risk is stable as the run-off of the portfolio is offset by adverse claims development. The Company has not assumed new risks in 2017.

Risk mitigation
The Company's underwriting risk is largely mitigated by proportional internal reinsurance.

Sensitivity analysis and stress testing
The Company's exposures are subject to the group-wide stress-testing framework. During 2017, the Company did not perform sensitivity and stress testing, as the Company prepared to adopt a new business strategy.

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 two main sources: through its investment activities as well as through the sensitivity of the economic value of liabilities to financial market fluctuations.

List of assets
The Company invests in government bonds, government-related bonds, cash, and cash equivalents. These assets have been invested in accordance with the prudent person principle as outlined in point "The prudent person principle" on page 10.

Material risk developments over the reporting period
During the reporting period, the financial market risk exposure decreased, driven by a reduction in foreign exchange risk as the vast majority of assets and liabilities are in EUR.

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
The Company's exposures are subject to the group-wide stress-testing framework. During 2017, the Company did not perform any sensitivity 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 reflects the potential financial loss that may arise due to diminished creditworthiness or default of counterparties of the Company or of third parties. This risk arises directly from investment activities as well as from counterparty risk related to external and intra-group counterparties.

Material risk developments over the reporting period
During 2017, the counterparty default risk increased mainly as a result of the increased amount of third party receivables.

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 near to being breached.

Sensitivity analysis and stress testing
The Company's exposures are subject to the group-wide stress testing framework. During 2017, the Company did not perform any sensitivity and stress testing, as the Company prepared to adopt a new business strategy and reduced its exposure accordingly.

C4: Liquidity risk

Risk exposure
Liquidity risk represents the possibility that the Company will not be able to meet expected and unexpected cash flow and collateral needs without affecting either daily operations or the Company's financial condition.
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.

Material risk developments over the reporting period
The Company's liquidity requirements remained materially stable over the year.

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
The Company's exposures are subject to the group-wide stress testing framework. During 2017, the Company did not perform any sensitivity and stress testing, as the Company prepared to adopt a new business strategy.

Amount of expected profit in future premiums
The total amount of expected profit in future premiums for the Company as at 31 December 2017 is EUR nil.

C5: Operational risk

Risk exposure
Operational risk represents the potential economic, reputational or compliance impact of inadequate or failed internal processes, people and systems or from external events, including legal risk and the risk of a material misstatement in financial reporting. The Company's business model relies 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.
- Compliance, operational and outsourcing risk are the dominating risks in the Company's risk landscape.
- Compliance risk exposure is primarily limited to fraud, data protection and outsourcing.
- Given that the Company is in its third year of operations, some operational capabilities are not yet fully established. For those instances, tactical or manual solutions have been put in place and contribute to the operational risk exposure.

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.

Material risk developments over the reporting period
Operational risk remained stable over the reporting period.

Risk mitigation
The Company's coordinated assurance framework outlined in Section B 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
The Company's exposures are subject to the group-wide stress testing framework. During 2017, the Company did not perform any sensitivity 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 2017 were as follows: (Based on QRT Balance Sheet S.02.01.02).

EUR thousands	Solvency II	Company Statutory	Difference
Investments (other than assets held for index-linked and unit-linked funds)	6 410	6 410	0
Cash and cash equivalents	595	595	-
Total of all other assets not listed above	937	1 470	–533
Total assets	**7 942**	**8 475**	**533**

The following valuation bases 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 German 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 and 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.

Other assets not listed above:

The difference between Solvency II and the Company Statutory amounts of other assets not listed above is mainly driven by the reinsurance recoverables described in section "D2: Technical provisions".

Assumptions and judgments 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 the 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 the Solvency II balance sheet and the Company Statutory balance sheet is due to the different valuation methodologies used.

Property (held for own use)

The Company does not hold any property for own use as at 31 December 2017.

Inventories

The Company does not hold any inventories as at 31 December 2017.

Intangible assets

The Company does not show any intangible assets on the Solvency II balance sheet as at 31 December 2017.

Financial assets

Methods and assumptions applied in determining the economic value

Quoted prices in active markets for similar assets are used to determine the economic value for investments. 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 2017, the investments were all valued using quoted market prices in active markets for similar assets.

Use of non-observable market data

The Company follows the valuation methodology as per the 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 was approved in 2017. There was no change in the valuation model in 2017 compared to 2016.

Lease assets

As at 31 December 2017, the Company does not have any financial and 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 subject to 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 1 April 2017, which is already applicable for the Deferred Tax calculation.

Valuation of related undertakings

As at 31 December 2017, 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 2017 gross and net of retrocession:

EUR thousands	Gross best estimate	Net best estimate	Risk margin	Total net technical provision
Medical expense insurance	322	68	28	96

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 estimated
- 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 are applied to these future cash flow streams for Solvency II valuation. These estimates are produced by a dedicated team of reserving actuaries, using 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 using 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 contribution of the lines of business to the SCR of the reference undertaking over the lifetime of the insurance or reinsurance obligations. This 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's 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 2017 were as follows:

EUR thousands	Solvency II	Company Statutory	Difference
Medical expense insurance	97	68	29

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. The major differences between the two accounting standards:
- in the Company Statutory figures, future cash flows are not discounted (time value of money is not recognised)
- there is no concept of risk margin
- 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 considered.

Material changes in assumptions made
In the course of 2017, some claims were estimated on a claimant-by-claimant basis rather than on the basis of triangular information. No assumption changes were implemented in 2017, as the Company is running off a closed book.

Matching adjustment
Not applicable to the Company.

Transitional provisions
Not applicable to the Company.

Volatility adjustment
Not applicable to the Company.

Transitional deduction
Not applicable to the Company.

D3: Other liabilities

Other material liabilities
Material other liabilities by Solvency II valuation basis, as at 31 December 2017 were as follows: (Based on QRT Balance Sheet S.02.01.02).

EUR thousands	Solvency II	Company Statutory	Difference
Reinsurance payables	109	109	0
Payables (trade, not insurance)	462	462	0
Total of all other liabilities not listed above	0	5	5
Total other liabilities	**571**	**576**	**5**

Reinsurance payables

Solvency II and Company Statutory:

There is no difference between the Solvency II and the Company Statutory valuation of reinsurance payables.

Payables (trade, not insurance)

Solvency II and 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 liabilities not listed above:

Other liabilities under Company Statutory includes the provision for foreign exchange rate, which is recognised in accordance with the local GAAP.

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 2017.

Lease liabilities
As at 31 December 2017, 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 2017.

Employee benefits
As at 31 December 2017, the Company had no employee obligations.

Changes during the reporting period
No changes were made to the recognition and valuation bases used or on estimations during 2017.

Assumptions and judgements
Assumptions and actuarial judgement have been made as mentioned on page 17.

D4: Alternative methods of valuation

As at 31 December 2017, the Company does not use any alternative valuation method.

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 Solvency Capital Requirement as at 31 December 2017 was equal to 1 385% (2016: 3 512%).
Furthermore, as the Solvency Capital Requirement is below the absolute Minimum Capital Requirement of EUR 3 700 thousand (2016: EUR 2 500 thousand), the Solvency ratio expressed as eligible own funds as a percentage of the Minimum Capital Requirement as at 31 December 2017 was equal to 190% (2016: 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 I, based on QRT Own Funds S.23.01.01, as at 31 December 2017 was as follows:

EUR thousands	2016	2017
Ordinary share capital (gross of own shares)	5000	5000
Share premium account related to ordinary share capital	3000	3000
Reconciliation reserve	–378	–979
Total basic own funds after adjustments	**7650**	**7021**

The decrease in own funds over the reporting period is mainly driven by the negative underwriting performance.

Eligible amount of own funds to cover the Solvency Capital Requirement

The eligible amount of own funds to cover Solvency Capital Requirement for 2017 is EUR 7 021 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 2017.

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

The eligible amount of basic own funds to cover the Minimum Capital Requirement for 2017 is EUR 7 021 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 shown in the Company Statutory accounts and Solvency II as at 31 December 2017 were as follows:

EUR thousands	Equity reconciliation
Equity per Company Statutory accounts (excluding retained earnings)	8000
Reconciliation reserve	–979
Equity per Solvency II	7021

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
No items have been deducted from own funds of 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 2017 was as follows:

EUR thousands	2017
Excess of assets over liabilities	7 021
Equity per the Company Statutory accounts (excluding retained earnings)	–8 000
Reconciliation reserve	**–979**

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 2017, the Company Solvency Capital Requirement was EUR 507 thousand (2016: EUR 218 thousand) and the Minimum Capital Requirement was EUR 3 700 thousand (2016: 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 risk categories as at 31 December 2017.

EUR thousands	2016	2017
Life and health underwriting risk	19	19
Financial market risk	18	12
Counterparty default risk	194	489
Diversification	–26	–23
Basic Solvency Capital Requirement	**205**	**497**
Operational risk	12	10
Shock Solvency Capital Requirement	**218**	**507**
Deferred tax impact	–	–
Solvency Capital Requirement	**218**	**507**

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 December 2020
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 input used to calculate the Minimum Capital Requirement
Input used to calculate the Minimum Capital Requirement for non-life insurance or reinsurance obligations includes premiums written during the last 12 months, split by line of business and best estimate technical provisions without a risk margin, split by line of business.

Material changes to Solvency Capital Requirement and Minimum Capital Requirement over the reporting period
The Minimum Capital Required has increased to EUR 3 700 thousand (2016: EUR 2 500 thousand) following the approval of an extension of the Company's license to all non-life insurance classes, with the exception of the classes 17 (Legal expenses) and 18 (Assistance). The Solvency Capital Requirement has increased, driven by an increase in counterparty default risk.

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 2017.

E6: Any other information

Other material 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 (eg quota-share) or non-proportional (eg 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 one-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 has 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.

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

R.C.S. Luxembourg B184298

Telephone +352 261 216 30
Fax +352 261 233 04
www.swissre.com

Appendix
SFCR Public Disclosure Templates

Swiss Re Portfolio Partners

Report:	S.02.01.02
Reporting entity:	Swiss Re Portfolio Partners S.A.
Reference Date:	31.12.2017
Reporting currency:	EUR thousands

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**	6'409'664
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	6'409'664
Government Bonds	**R0140**	6'409'664
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**	253'650
Non-life and health similar to non-life	**R0280**	253'650
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	253'650
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**	479'864
Reinsurance receivables	**R0370**	-
Receivables (trade, not insurance)	**R0380**	203'450
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**	595'403
Any other assets, not elsewhere shown	**R0420**	
Total assets	**R0500**	7'942'031

Report:	S.02.01.02
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Balance sheet

Liabilities		**Solvency II value** **C0010**
Technical provisions – non-life	**R0510**	350'258
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**	350'258
Technical provisions calculated as a whole	**R0570**	
Best Estimate	**R0580**	321'825
Risk margin	**R0590**	28'433
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**	638
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**	-
Reinsurance payables	**R0830**	108'649
Payables (trade, not insurance)	**R0840**	461'891
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**	921'437
Excess of assets over liabilities	**R1000**	7'020'594

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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**	802'940																802'940
Gross - Proportional reinsurance accepted	**R0320**																	
Gross - Non-proportional reinsurance accepted	**R0330**																	
Reinsurers' share	**R0340**	585'285																585'285
Net	**R0400**	217'656																217'656
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**	663'024																663'024
Other expenses	**R1200**																	102'851
Total expenses	**R1300**																	765'875

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Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations						Life reinsurance obligations		
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	Total
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**									
Reinsurers' share	**R1420**									
Net	**R1500**									
Premiums earned										
Gross	**R1510**									
Reinsurers' share	**R1520**									
Net	**R1600**									
Claims incurred										
Gross	**R1610**									
Reinsurers' share	**R1620**									
Net	**R1700**									
Changes in other technical provisions										
Gross	**R1710**									
Reinsurers' share	**R1720**									
Net	**R1800**									
Expenses incurred	**R1900**									
Other expenses	**R2500**									-
Total expenses	**R2600**									-

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Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - life obligations				
	R1400			(GB) United Kingdom	(ES) Spain	(IE) Ireland	(DE) Germany	(CA) Canada
		C0220	C0280	C0230	C0230	C0230	C0230	C0230
Premiums written								
Gross	R1410							
Reinsurers' share	R1420							
Net	R1500							
Premiums earned								
Gross	R1510							
Reinsurers' share	R1520							
Net	R1600							
Claims incurred								
Gross	R1610							
Reinsurers' share	R1620							
Net	R1700							
Changes in other technical provisions								
Gross	R1710							
Reinsurers' share	R1720							
Net	R1800							
Expenses incurred	R1900							
Other expenses	R2500		-					
Total expenses	R2600		-					

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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			(GB) United Kingdom	(DE) Germany	(FR) France	(CA) Canada	(ES) Spain
		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		802'940	802'940				
Gross - Proportional reinsurance accepted	R0320							
Gross - Non-proportional reinsurance accepted	R0330							
Reinsurers' share	R0340		585'285	585'285				
Net	R0400		217'656	217'656				
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		663'024	663'024				
Other expenses	R1200		102'851					
Total expenses	R1300		765'875					

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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**	321'825																321'825
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**	253'650																253'650
Net Best Estimate of Claims Provisions	**R0250**	68'175																68'175
Total Best estimate - gross	**R0260**	321'825																321'825
Total Best estimate - net	**R0270**	68'175																68'175
Risk margin	**R0280**	28'433																28'433
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**	350'258																350'258
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**	253'650																253'650
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**	96'608																96'608

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Non-life insurance claims information

Total Non-Life Business

Accident year / Underwriting year	**Z0020**	(2) Underwriting year

Gross Claims Paid (non-cumulative)

(absolute amount)

		Development year										
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**											5'023'847
N-9	**R0160**	42'186'229	59'669'694	5'235'752	1'195'915	610'785	231'662	115'678	26'219	-	-	
N-8	**R0170**	155'627'980	75'972'505	7'253'606	1'613'247	766'675	353'018	141'518	29'445	19'112		
N-7	**R0180**	169'466'405	74'270'451	6'943'357	2'118'481	625'155	385'247	170'784	55'442			
N-6	**R0190**	180'294'831	73'724'880	7'655'860	1'651'250	772'353	292'760	182'672				
N-5	**R0200**	74'167'015	8'334'132	757'249	383'200	114'707	26'323					
N-4	**R0210**											
N-3	**R0220**											
N-2	**R0230**											
N-1	**R0240**											
N	**R0250**											

		In Current year	**Sum of years (cumulative)**
		C0170	**C0180**
	R0100		5'023'847
	R0160	-	109'271'934
	R0170	19'112	241'777'106
	R0180	55'442	254'035'323
	R0190	182'672	264'574'606
	R0200	26'323	83'782'625
	R0210		
	R0220		
	R0230		
	R0240		
	R0250		
Total	**R0260**	283'549	958'465'441

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Non-life insurance claims information

Total Non-Life Business

Accident year / Underwriting year	**Z0020**	(2) Underwriting year

Gross undiscounted Best Estimate Claims Provisions

(absolute amount)

		Development year										
Year	**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**						320'634					
N-4	**R0210**											
N-3	**R0220**											
N-2	**R0230**											
N-1	**R0240**											
N	**R0250**											

		Year end (discounted data)
		C0360
	R0100	
	R0160	
	R0170	
	R0180	
	R0190	
	R0200	321'825
	R0210	
	R0220	
	R0230	
	R0240	
	R0250	
Total	**R0260**	321'825

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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**	5'000'100	5'000'100			
Share premium account related to ordinary share capital	**R0030**	2'999'900	2'999'900			
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**					
Preference shares	**R0090**					
Share premium account related to preference shares	**R0110**					
Reconciliation reserve	**R0130**	-979'406	-979'406			
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 shall 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 shall 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**	7'020'594	7'020'594			
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**	7'020'594	7'020'594			
Total available own funds to meet the MCR	**R0510**	7'020'594	7'020'594			
Total eligible own funds to meet the SCR	**R0540**	7'020'594	7'020'594			
Total eligible own funds to meet the MCR	**R0550**	7'020'594	7'020'594			
SCR	**R0580**	506'782				
MCR	**R0600**	3'700'000				
Ratio of Eligible own funds to SCR	**R0620**	1385%				
Ratio of Eligible own funds to MCR	**R0640**	190%				

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Reconciliation reserve		**C0060**
Excess of assets over liabilities	**R0700**	7'020'594
Own shares (held directly and indirectly)	**R0710**	
Foreseeable dividends, distributions and charges	**R0720**	
Other basic own fund items	**R0730**	8'000'000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	
Reconciliation reserve	**R0760**	-979'406
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	**R0770**	
Expected profits included in future premiums (EPIFP) - Non-life business	**R0780**	
Total EPIFP	**R0790**	

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Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	**C0090**	**C0120**
Market risk	**R0010**	11'704		
Counterparty default risk	**R0020**	488'859		
Life underwriting risk	**R0030**	0		
Health underwriting risk	**R0040**	19'132		
Non-life underwriting risk	**R0050**	0		
Diversification	**R0060**	-22'568		
Intangible asset risk	**R0070**	0		
Basic Solvency Capital Requirement	**R0100**	497'128		

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Calculation of Solvency Capital Requirement		**C0100**
Operational risk	**R0130**	9'655
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**	506'782
Capital add-ons already set	**R0210**	0
Solvency Capital Requirement	**R0220**	506'782
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

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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**	3'204

		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**	68'175	-
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**	-

		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**		-

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Overall MCR calculation		**C0070**
Linear MCR	**R0300**	3'204
SCR	**R0310**	506'782
MCR cap	**R0320**	228'052
MCR floor	**R0330**	126'696
Combined MCR	**R0340**	126'696
Absolute floor of the MCR	**R0350**	3'700'000
Minimum Capital Requirement	**R0400**	3'700'000