

## **Octium Holding S.A.**

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

**For the financial year ended 31 December 2025**

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## **Introduction**

This Solvency and Financial Condition Report ('SFCR') has been prepared in line with the requirements of the Solvency II (SII) Regulations and, together with the accompanying Quantitative Reporting Templates (QRTs), describes Octium Group business operations, performance, governance structure, risk profile, solvency, and capital position as of 31 December 2025.

This is a single SFCR that incorporates consolidated information at Group level, and information at the level of each insurance subsidiary.

The SFCR is designed to assist all clients and stakeholders to better understand the capital position of the Group under Solvency II.

## **Approval**

This SFCR and the supporting QRTs were approved by the Group Board of Directors on 12 May 2026, prior to their submission to the Central Bank of Ireland ('CBI') and publication on the Group website.

## **Summary**

Octium Holding S.A. ("Octium Holding"), a mixed activity insurance holding company incorporated and resident in Luxembourg, is the ultimate parent entity of the insurance group to which Octium Life DAC ("Octium Life"), Octium International Insurance Agent AG ("Octium International Insurance Agent") and Octium Services (Switzerland) AG ("Octium Services") belong (collectively referred to as "Octium Group" or "Group").

The Group is an independent international insurance group specialising in the design, manufacture and distribution of unit-linked life insurance products. The Group has policyholder assets worth approximately €8.5 billion and operates in European markets with a unique offering of unit-linked insurance products for wealth and succession planning.

Octium Holding is subject to group supervision under Solvency II Regulations and is required to make publicly available an annual report on the solvency and financial condition of the Group. Below is a summary of the Group's business and risk profile, key changes and events in 2025.

## **Business and performance**

The principal activity of the Group is the insurance activities undertaken by Octium Life (an 'insurance subsidiary'). While Octium Life's business has been resilient in the face of the challenging macro-economic and geopolitical conditions of 2025 earning an operating profit before tax of €5.2m (2024: operating loss before tax of €4.5m), interest on debt at the Holding Company level has resulted in the Group making a profit before tax of €0.8m (2024 loss: €4.5m).

Premiums and positive asset market performance largely offset negative claim experience during the year leaving the group with assets under management of €8.5bn (2024: €8.3bn) at year-end.

### System of governance

Octium Holding's Board of Directors (the "Group Board") is accountable for the long-term success of the business and is responsible for the key governance, strategy, regulatory, planning and risk management processes that operate at Group level.

Certain decisions and key matters are, however, considered and addressed directly by the Board of the relevant insurance subsidiary.

The Group Board has established effective governance and control systems to manage Group business activities and risks.

There have been no material changes in the system of governance during the year.

### Risk profile

The Group is exposed to risks outlined in section C below. The most significant risks are market and lapse risk.

- **Market Risk:** A decline in assets under management due to market shocks, poor market performance, or fluctuations in currency and exchange rate movements would reduce future annual management charges and, consequently, future profits.
- **Lapse Risk:** Likewise, a decrease in assets under management caused by elevated lapse/surrender rates would lead to a decrease in future annual management charges. This could be triggered by factors such as shifts in the economic climate, poor investment performance, competitor activities, or damage to the Group's reputation.

Octium Life, a solo insurance entity within the Group has established a robust risk management and internal control system to monitor and manage these risks. Although these risks may impact on future profitability, they do not have a significant impact on the Group's ability to meet payments to clients.

Policyholder investments are managed on a unit-linked basis, with Octium Life ensuring it is always able to meet policyholder withdrawal requests. The low-risk nature of the business means that the Group's Solvency Ratio remains resilient to changes in the business. There have been no material changes to the risk profile during the year.

### Solvency and capital management

The Group manages its balance sheet prudently to ensure solvency is maintained adequately throughout the business cycle. The Group and Octium Life invest in assets to match policyholder liabilities. The Group and each insurance subsidiary is required to keep a buffer in excess of policyholder liabilities to cover potential losses arising from business risks. The Boards of the Group and Octium Life ensure that capital is adequate to cover the expected requirements in the short to medium term.

The Group and Octium Life has eligible own funds in excess of solvency capital requirement ("SCR"). As of 31 December 2025, the Group's SCR ratio is 191% (2024: 184%) and Octium Life's SCR ratio is 236% (2024: 229% after the payment of planned dividends). The solvency ratio provides a measure of the amount of excess capital relative to regulatory requirements.

The Group does not plan to make a dividend payment to the shareholder during 2026.

## **Other information**

This report has been prepared in accordance with the requirements of the Solvency II Directive as of 31 December 2025. The Group's financial year runs to 31 December each year and reports their results in Euro.

Octium Life's financial statements are prepared on the basis of Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102). The Group's consolidated financial statements are prepared in accordance with Luxembourg Generally Accepted Accounting Principles.

KLP S.à.r.l. which was liquidated in December 2024, was previously a 100% owned subsidiary of Octium Holding. The company was incorporated in Luxembourg as a life insurance company of Kaupthing Life & Pension S.A. The company's insurance license was returned in 2015 after which it remained as a non-regulated dormant company until liquidation.

Notice was provided on 4 February 2026, to Octium Services of Octium Life's and Octium International Insurance Agent's intention to terminate their outsourcing contracts with Octium Services. The cessation of the contracts is effective on 31 August 2026.

On 17 March 2026, the owner of Octium Holding S.A. entered into a Share Purchase Agreement to sell the Group to IFGL Group. IFGL is an international wealth management group, with approximately 200,000 customers worldwide and more than €30 billion of assets under administration. The group is headquartered in the Isle of Man and is regulated by the Isle of Man Financial Services Authority. Completion of the transaction is subject to Irish regulatory approval.

On 21 April 2026, following the approval of Octium Life DAC's annual accounts and submission of regulatory returns on 1 April 2026, the board of Octium Life DAC declared and issued a dividend of €5.5m. The impact of this dividend will reduce Octium Life DAC's SCR Ratio from 236% to 230%, with the Group's SCR ratio remaining unchanged. This transaction has not been reflected in the figures throughout the rest of the document.

## A. Business and Performance

### A.1 Business

Octium Holding, a mixed activity insurance holding company incorporated and resident in Luxembourg, is the ultimate parent entity of Octium Life and Octium International Insurance Agent for the purposes of group supervision in accordance with Regulation 216(3)(b) of S.I. 485 of 2015 (the "Solvency II Regulations"). Octium Holding and its subsidiaries form a specialist life assurance group.

The Group is an independent international insurance group specialising in the design, manufacture and distribution of unit-linked life insurance products. Octium Group has policyholder assets of approximately €8.5 billion and operates in global markets with a unique offering of unit-linked insurance products for wealth and succession planning.

#### A.1.1 Subsidiary information

Octium Life is an Irish domiciled and authorised insurance company whose principal activity is the transaction of cross-border life insurance business. Octium Life was established in 2003 originally as UBS International Life Limited but its name changed following its acquisition by the Octium Group in May 2017.

On 31 December 2024 Octium Life completed a cross-border merger by acquisition of Octium Assurance AG and its branch Octium Assurance AG (Italian Branch) (collectively "Octium Assurance"). During the course of 2025, all activities and processes were integrated into the Company's existing processes and systems.

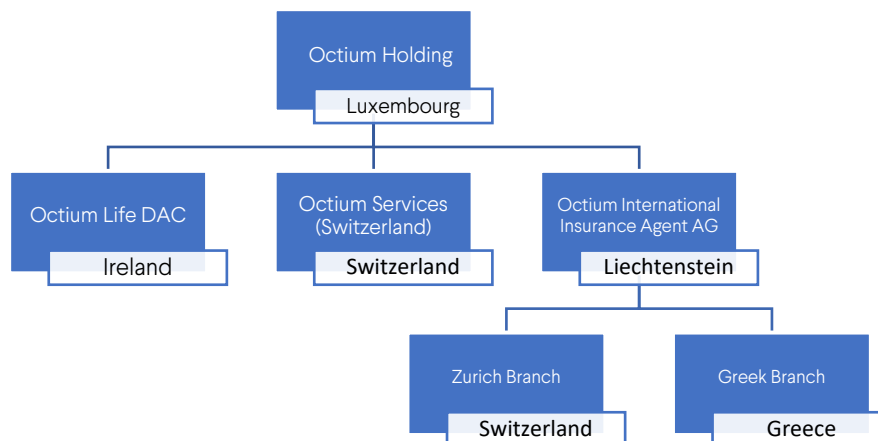
Octium International Insurance Agent, is a Liechtenstein domiciled company, incorporated in early 2020 to provide insurance intermediation on behalf of Octium Group. In September 2020, Octium International Insurance Agent was granted a life insurance agent licence by the FIMA for insurance distribution purposes.

Octium Services was formed in November 2021 to provide policy administration services to other entities within the Group.

Name of Company	Octium Holding S.A.	Registered Address: 35 Avenue J. F. Kennedy L-1855 Luxembourg Luxembourg
Group Auditors	Deloitte Ireland LLP	Deloitte & Touche House, 29 Earlsfort Terrace Dublin 2 Ireland, D02 AY28
Regulatory Supervisor of the Group & Octium Life	Central Bank of Ireland ("CBI")	New Wapping Street, North Wall Quay, Dublin 1, Ireland.

## A.1.2 Group Shareholdings

The group structure below shows the entities within the scope of group supervision up to the 31 December 2025 (100% ownership at each level).



## A.1.3 Products

The Group offers unit linked life assurance products with an open architecture, on a Freedom-of-Services basis, in Cyprus, Germany, Greece, Italy, Portugal and Spain. The Group also accepts applications from Egypt, UK and Turkey provided the application is intermediated on a compliant basis by a regulated distributor.

The main product offering is a portfolio bond, which allows policyholders to link their policy to a unique pool of assets ('policy fund') managed by their chosen asset manager or investment advisor. The value of the policy is directly tied to the performance of the underlying assets. The Group does not offer products with guaranteed investment returns.

The unit-linked business model means that the financial positions of the Group remained resilient throughout the year.

## A.1.4 Significant events

Other than the merger as discussed in Section A.1.1 of this report, there were no other significant events in the Group during the reporting period.

## A.2 Underwriting performance

Octium Holding's financial statements are prepared in accordance with Luxembourg Insurance Accounting Law. Under these accounting standards, the majority of unit linked policies are classified as investment contracts whereby premiums and claims are shown as deposits to and payments from investment contracts.

Accounting profits for the insurance subsidiaries are largely driven by policy administration fees received, net of commissions and other expenses as well as risk fees net of reinsurance and risk claims. Changes in the value of investments underlying unit linked policies are offset by corresponding changes in the value of technical provisions.

Accounting profits for the Group are driven by the profits from the subsidiaries net of finance costs borne by Octium Holding. The Group has defined accounting profits as an appropriate measure of its underwriting performance.

## A.2.1 Overview of Group accounting profits

Overview of accounting profits (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Gross accounting profit/(loss)	5,191	1,095	813	(4,451)
Tax charge	324	(2,815)	208	(2,824)
(Loss)/Profit attributable to the shareholder	5,515	(1,720)	1021	(7,275)

## A.2.2 Group's risk fees net of reinsurance

Risk fees are the element of policy charges that relate to mortality risk and the payment of death risk benefits. The table below details the risk fees earned net of reinsurance.

Risk fees (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Risk fees earned	2,912	2,789	2,912	2,789
Reinsurer's share net of profit share	131	(1,480)	131	(1,480)
Net Risk fees	3,043	1,309	3,043	1,309

## A.2.3 Premiums written by the Group

The table below details the premiums written during the year as reported in QRT S.05.01.

Premiums written (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Gross	317,954	238,078	317,954	238,078
Reinsurer's share	(1,811)	(1,046)	(1,811)	(1,046)
Net Premiums	316,143	237,032	316,143	237,032

## A.2.4 Group's death risk benefits net of reinsurance

The table below details the death risk benefits incurred.

Death benefits (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Death risk benefits	1,205	765	1,205	765
Reinsurer's share	(1,025)	(530)	(1,025)	(530)
Net Death benefits	180	235	180	235

## A.2.5 Group's claims incurred

The table below details total claims incurred as reported in QRT S.05.01.

Total Claims (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Gross claims	906,519	997,968	906,519	997,968
Reinsurer's share	(1,025)	(393)	(1,025)	(393)
Net claims	905,494	997,575	905,494	997,575

## A.3 Investment Performance

Other than some small cash deposits held by Octium International Insurance Agent, Octium Services and Octium Holding to cover administration expenses, the Group's assets consist of Octium Life's assets.

The unit linked nature of the business means that the impact on profit of investment performance is second order. The Group's primary source of income is policy administration fees charged on the value of unit linked insurance contracts. The Group is therefore exposed to market risk on unit linked investments to the extent that adverse movements in the value of these assets would reduce the future profitability through a decline in policy administration fees.

All client investments are selected by the policyholder from a pre-approved list of funds or by investment managers who are appointed in accordance with a specific investment mandate. Excess assets above those required to match policyholder unit liabilities are held as cash or high-quality liquid assets.

### A.3.1 Description of Group assets

The following investments are held in respect of policyholder linked assets.

Asset Type	2025		2024	
	%	€'000	%	€'000
Cash and deposits	5%	386,151	3%	228,453
Collective Investment Schemes	61%	5,152,317	63%	5,250,518
Equities	13%	1,126,024	11%	941,454
Fixed Income Securities	15%	1,311,682	18%	1,450,022
Other	6%	515,158	5%	389,606
Total Assets	100%	8,491,332	100%	8,260,053

### A.3.2 Group investment return

Investment return comprises interest, dividends and other income receivable, realised and unrealised gains and losses on investments and is net of related investment management fees and other account-keeping charges.

Investment Return (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Interest income	1,709	2,777	1,709	2,777
Other investment income	703,517	675,059	703,517	675,059
Total Investment return	705,226	677,836	705,226	677,836

Asset performance during 2025 followed global market trends, which saw positive performance throughout the year.

## A.4 Performance of Other Activities

The Group's primary activity is manufacture of unit linked insurance products. Income is primarily derived from the fees charged to the policyholders for policy administration.

Fees are charged as a percentage of the policy value and are thus affected by the performance of the underlying assets as well as premium and claim levels. The performance of the policies therefore depends on the performance of the assets selected and the expense relating to asset management, custody of assets and policy administration fees. The income for the current and previous years is shown below:

### A.4.1 Group other technical income net of reinsurance

Other Technical Income (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Administration fees	30,391	30,541	30,391	30,541
Reinsurance premiums and net claims	(796)	(1,491)	(796)	(1,491)
Other technical income	29,595	29,050	29,595	29,050

### A.4.2 Octium Group's operating expenses

Group expenses consist of the expenses of Octium Holding, Octium Life, Octium International Insurance Agent and Octium Services along with interest on the senior debt.

Operating Expenses (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Acquisition and administration	17,042	23,789	17,193	24,731
Commission paid	7,821	6,125	7,821	6,125
Change in deferred acquisition cost	45	53	45	53
Death claims	1,205	765	1,205	765
Operating expenses	26,113	30,732	26,264	31,674

The reduction in operating expenses reflects economics of scale achieved and the non-reoccurrence of one-off merger related costs incurred in 2024

### A.4.3 Change in value of the Italian substitute tax asset

Octium Life act as withholding tax agents for the Italian tax authorities, making advance payments in respect of Italian policyholder exit tax. Recovery is made when exit taxes are levied on chargeable gains.

Payments to the Italian Revenue are recognised as a tax receivable. All recoveries are charged against the asset. The asset is initially recognised at cost with its recoverable amount assessed annually for impairment by the Board of Directors.

No impairment provision was recognised at 31 December 2025.

### A.4.4 Any other information

All material information regarding the business and performance of Octium has been set out above.

## B. System of Governance

### B.1 General Information on the system of governance

The Group Board is the supervisory body at the level of the Insurance Group Parent Company with responsibility for the overall direction, risk appetite and management of the Group and for ensuring the Group complies with applicable laws rules and regulations. It decides on the strategic aims and the necessary financial and human resource requirements based on recommendations of the Group Executive Committee and Group Executive Chairman. The Group Board is responsible for ensuring:

- adequate mechanisms to monitor, manage and report significant intra-group transactions as well as significant risk concentrations within the Group;
- eligible own funds are available which are always at least equal to the SCR;
- that adequate systems and procedures are in place to identify and measure risks at the level of the Group;
- to ensure that an own risk and solvency assessment is carried out at the level of the Group; and,
- to comply with other group supervision requirements, including regular reporting to the Group supervisor.

#### B.1.1 Group Executive Committee

The Group Board has established a Group Executive Committee ("Group ExCo") to whom it has delegated the management of the Group under the leadership of the Group Executive Chairman.

The Group ExCo consists of at least five persons (each an "ExCo Member"), having collective empowerment for the purpose of governing the Group in a compliant way according to their duties. The Group ExCo is composed of any CEO of the Insurance Carrier(s) forming part of the Group along with any individual appointed by the Group Board of Directors to take up group executive responsibilities, further covering the following group executive functions:

- Group Executive Chairman ("Group Chairman")
- Group Chief Executive Officer ("Group CEO")
- Group Chief Risk Officer ("Group CRO")
- Group Chief Financial Officer ("Group CFO")
- Group Chief of Sales and Business Development ("Group CBDO")

The Group ExCo oversees the management of the Group and its affiliates, including business strategy, risk appetite and financial objectives, where relevant upon recommendation of the respective affiliates' CEOs. In particular, the Group ExCo is responsible for the following:

- Development of long-range plans and the Group business model.
- Review and evaluate the Group's consolidated budget and forecasts.
- Implementation of the Group Risk Management Framework including risk strategy, risk tolerance, risk identification, risk measurement, risk monitoring, risk reporting and the way the principal risks are managed, controlled and mitigated.

- Review and assess the effectiveness of Group’s practices with respect to its insurance business purpose.
- Oversee compliance with group supervision regulatory and legal obligations.
- Monitoring of the Group’s SCR and solvency ratios.
- Identifying, monitoring, managing and reporting intra-group transactions, including significant and very significant intra-group transactions.
- Establish, evaluate and approve the principles of an adequate organisation and resource allocation.

## B.1.2 Organisational Structure

Octium Life, the sole insurance entity within the Group has its own Board recognising its obligation to take decisions independently in the interest of their clients, as well as to meet relevant legal and governance responsibilities.

The Octium Life Board is the supervisory body with responsibility for the overall direction, risk appetite and management of the entity and for ensuring the company complies with applicable laws, rules and regulations. It decides on the strategic aims and the necessary financial and human resource requirements based on recommendations of its Management Committee and Chief Executive Officer.

At least annually, the Octium Life Board reviews its own performance, as well as the performance of its committees to determine whether they are functioning effectively and efficiently.

## B.1.3 Boards of Directors

### B.1.3.1 Octium Life

As of 31 December 2025, the Octium Life Board comprised of one Executive Director, two Non-Executive Directors and three Independent Non-Executive Directors.

Board Member	Type
Jean-Francois Willems	Non-Executive Director
Joan Collins (Risk Committee Chair)	Independent Non-Executive Director
Seamus Hughes (Board Chair)	Independent Non-Executive Director
Dara Hurley (CEO)	Executive Director
John Finnegan	Non-Executive Director
Dargan FitzGerald (Audit Committee Chair)	Independent Non-Executive Director

Dargan FitzGerald was appointed as an Independent Non-Executive Director on 1 January 2025 and has assumed the role of chair of the Audit Committee.

## B.1.4 Board Committees

The Octium Life Board receives support in overseeing its System of Governance from the Audit Committee and Risk Committee. The terms of reference for each are approved by the Octium Life Board and updated as necessary. In addition, each committee Chair provides regular reports to the Board on the matters covered at each committee meeting.

## **B.1.4.1 Audit Committee**

The Audit Committee oversees:

- integrity of the financial statements and regulatory reports,
- effectiveness of its internal and external audit functions,
- reporting procedures,
- risk management framework,
- compliance with legal and regulatory requirements
- system of internal controls.

## **B.1.4.2 Risk Committee**

The Risk Committee:

- oversees the risk management framework
- provides leadership, direction and oversight of the risk management function
- reviews the principal risks and the way they are managed, controlled and mitigated

## **B.1.5 Independent control functions**

Octium Life has established four key independent control functions, who are responsible for providing oversight of and challenge to the business and for providing assurance to the Board on matters relating to the risk management framework and system of internal controls.

1. Risk Management
2. Compliance
3. Actuarial
4. Internal Audit

### **B.1.5.1 Risk management**

The Risk Management function, which is under the direct responsibility of the Chief Risk Officer, is charged with the oversight, review and supervision of the identification, measurement, management, reporting and monitoring of the risks to which the business is exposed. The responsibilities of the Chief Risk Officer include:

- To develop and maintain an effective risk management framework that meets the needs of the Company.
- To facilitate the setting of Risk Appetites by the Board.
- To develop and maintain appropriate risk policies and procedures that are consistent with the Group Risk Appetite Statement.
- To develop and maintain a risk register.
- To monitor the impact of emerging issues and how they are managed within the business.
- To ensure a comprehensive understanding of how risks affecting the Company are being managed and monitored and to communicate this appropriately.
- To liaise with Head of Actuarial Function to review the outputs from the risk management framework and to ensure the universe of risks is adequately reflected within capital models.
- To promptly inform the Board and CEO of any material risk limit breach.

- To assess the capital model and provide input into the current and projected future solvency position.
- To facilitate the production of the ORSA report and maintain the record-keeping file.

The Chief Risk Officer reports to the Chief Executive Officer and has direct access to the Chair of the Board and Risk Committee as required.

### **B.1.5.2 Compliance**

The Compliance function, which is under the direct responsibility of the Head of Compliance, is charged with oversight and implementation of the Compliance Policy which aims to ensure the Company complies with all applicable laws, rules and regulations, and conducts its activities in compliance with those laws, rules and regulations.

The Head of Compliance provides advice and guidance in all compliance related matters, by identifying and evaluating all compliance risks associated with the Company's present and future business activities including new products and new business relationships.

The Head of Compliance responsibilities include:

- The design, implementation and execution of a risk-based compliance monitoring plan including reporting and escalation of issues to the Board, Audit or Management Committee as appropriate.
- Assisting in identifying the legal regulatory and code requirements which the Company is required to comply with and advising on new relevant regulations and standards.
- Maintaining a record of all material compliance obligations, together with details of how, when and by whom these are met and of any breaches that have been notified.
- Acting as Money Laundering Reporting Officer (MLRO) and in that capacity, the filing of Suspicious Activity Reports with the proper authorities in accordance with legislation and the Company's Anti Money-Laundering Policies and Procedures ("AML Procedures").
- Guaranteeing data protection framework of the Company is compliant and effective.
- Reviewing staff training processes to ensure appropriate compliance competencies; and
- Promoting a culture of compliance across the company.

The Head of Compliance reports to the Chief Risk Officer and has direct access to the Chair of the Audit Committee as required.

### **B.1.5.3 Actuarial**

Please refer to section B.6

### **B.1.5.4 Internal audit**

Please refer to section B.5

### **B.1.6 Changes to the system of governance**

There were no changes to Octium Life's system of governance during 2025.

### **B.1.7 Remuneration, Employee Benefits and Practices**

Octium Life has approved a Remuneration Policy to ensure employee remuneration is aligned with its long-term business strategy, business objectives, risk appetite and values. The remuneration structure is designed to promote sound and effective risk management and does not encourage risk-taking beyond risk tolerance limits set out in its Board approved Risk Appetite Statement.

### **B.1.8 Material transactions (with connected persons)**

There have been no material transactions with the shareholder, persons who exercise a significant influence on the Group or with members of the Board, other than:

- Albany Capital Limited, a connected undertaking, has issued both non-subordinated and subordinated loans to fund Group acquisitions. The total balances on the non-subordinated loan and the subordinated loans on 31 December 2024 were €18.1m and €85.2m respectively.

### **B.2 Fit and proper requirements**

The Group is committed to ensuring that all members of its Boards, key function holders and other senior individuals within the Group, behave with integrity, honesty and skill. This commitment is documented in the Fit and Proper policies of Octium Life. The Group has processes in place to ensure appropriate fit and proper standards are met and maintained, both prior to appointment and on an ongoing basis thereafter.

The key elements within fit and proper framework, which apply to individuals undertaking prescribed control functions as well as those subject to pre-approval are:

- A pre-appointment assessment, including an appraisal of the individual's knowledge; professional experience and qualifications; technical capability; prior business conduct and financial judgement; character, honesty and integrity.
- A job description, detailing the significant requirements of the role.
- A probationary period and an appropriate induction program.
- An annual attestation confirming their continued ability to meet fitness and probity requirements.

Where a regulated function is outsourced, the responsible officer with responsible for managing the arrangement ensures the outsourcing firm carries out and maintains appropriate fit and proper assessments. Records are maintained, and notifications are made to the regulators, as and when required.

#### **B.2.1 Individual Accountability Framework**

On 9 March 2023, the Central Bank (Individual Accountability Framework) Act 2023 (the "IAF Act") was enacted and it lays the foundations of the Individual Accountability Framework ("IAF") which introduced an enhanced fitness & probity certification requirement for all PCF/CF roles and new Common and Additional Conduct Standards with effect from 29th December 2023.

These were implemented within Octium Life, with the new standards being applicable to all CF and PCF roles from that date.

Additionally the Senior Executive Accountability Regime (SEAR) came into effect from 1 July 2024 requiring the roles and responsibilities of PCF role holders to be documented in a prescribed format aiding transparency on where responsibility, accountability and decision-making for key activity lies within Octium Life.

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

The Group Risk Management Framework applies consistently across the Group and has been developed to enable the Board and management of the insurance subsidiaries to understand, appropriately manage and mitigate the risks associated with business objectives over the short, medium and longer term.

Risk Committees receives regular reporting from CROs in relation to the outcome of the periodic risk assessments undertaken by Management.

#### **B.3.1 Risk management framework**

The Group Risk Management Framework seeks to identify, assess, manage, and report on the risks arising from the pursuit of business objectives. It comprises the entirety of systems, controls, processes and reports used to manage risk and is based on the classic "three lines of defence model". Risk management seeks not to eliminate risk but to manage it to acceptable levels.

#### **B.3.2 Three lines of defence**

Within each insurance entity, the first line is responsible for day-to-day operations and identifying and managing the risks that arise from those operations. The second line acts as a "critical friend" overseeing risk management activities and providing advice on the management of risk. The third line provides independent assurance that the risks are being managed appropriately. The model's strength is the clear segregation between "doing", "overseeing" and "independent review". This ensures the appropriate level of perspective and challenge is brought to the management and control of risk. It also facilitates consistency in risk assessments and formalises independent review and assessment of risk and control matters. Where a function is outsourced, first line risk management is carried out by the outsourced provider, with the responsible officer with responsible for managing the arrangement providing oversight.

#### **B.3.3 Risk appetite statement**

By its nature the business of the Group involves taking risk. Risk Appetite Statement (RAS) of each insurance subsidiary articulates the level of risk the subsidiary Board is prepared to tolerate in pursuit of business objectives and provides the context for all risk management activities.

The RAS is owned by the insurance subsidiary Board and reviewed annually or more frequently if there is a significant change to the business strategy or external business environment.

### **B.3.4 Risk strategy and policies**

A suite of risk policies exists within each insurance subsidiary that set out the approach to risk management and how particular risks are identified, assessed, managed, and monitored. The policies clearly state the controls, procedures, limits, tolerances, and escalation procedures to ensure risks are managed within risk appetite. Risk policies are reviewed at least annually by the Risk Committee and approved by the subsidiary Board.

### **B.3.5 Monitoring and reporting risks**

Individuals who own or are responsible for managing processes, controls, projects or relationships have a responsibility for risk monitoring and reporting, using a variety of tools such as analysis of management information, communication and relationship management meetings to do so.

### **B.3.6 Key Risk Indicators**

A suite of Key Risk Indicators (KRIs) covering the key risks faced by each insurance subsidiary is maintained, with triggers based upon the risk appetite set by the subsidiary Board to monitor actual risk exposures against stated risk appetite.

The KRIs are reported quarterly to the insurance subsidiary's Management Committee, Risk Committee and Board with a narrative providing detail in relation to any changing risks particularly those nearing risk appetite or which have breached appetite.

### **B.3.7 Loss event reporting**

Data relating to loss events and near misses (events where no loss actually occurred but there was the potential for a loss) is recorded in the risk event log. The nature and root cause of each event is determined, and appropriate action is taken.

### **B.3.8 Internal audit reviews**

The Internal Audit function of Octium Life perform reviews on areas of key risk within the business, providing reports on the design adequacy and operational effectiveness of controls and compliance with internal policies and external regulation/legislation. The Internal Audit function for Octium Life is outsourced to KPMG and is independent of business operations and decisions. Internal Audit reviews are planned on a prioritised basis, ensuring that all key areas of risk are covered on a rolling basis.

### **B.3.9 Implementation of the risk function**

The Group Risk Management Policy sets out the roles, responsibilities, tasks and reporting requirements in respect of all risk matters. The principles underlying the Group's approach to risk management are:

- Business risks and the controls used to manage them are owned by the business
- Risk management is responsible for risk strategy, oversight and the governance of risk
- Risks are managed in a proportionate manner
- A "risk aware" culture is fostered at all levels of the Company

**B.3.10 Independent assurance**

The Risk, Compliance and Internal Audit functions, at insurance subsidiary level provide independent assessment of the risk management system and report directly to the subsidiary's Board through relevant committees.

**B.3.11 Own Risk Solvency Assessment**

The Own Risk Solvency Assessment ("ORSA") process is a core part of the Group's Risk Management Framework, as it combines the key processes of risk management, business planning and capital management.

A Group ORSA report covering the Group and Octium Life is produced, at least annually. The report summarise the processes that make up the ORSA, including descriptions of key risks, how they are managed, and how those risks might change in the context of the business plan. They include both qualitative and quantitative assessments of risk profiles and solvency needs on a forward-looking basis. Results arising from stress and scenario testing undertaken on a range of reasonably foreseeable scenarios and other risk assessment activities are documented within the reports along with potential management actions.

The respective Boards direct the ORSA and challenge its outcomes at various stages of the process. The production of the ORSA report is co-ordinated by the Group Chief Risk Officer, with significant input from the Head of Actuarial Function and approved by the relevant Board prior to submission to regulators.

**B.4 Internal control system**

The internal control system encompasses the policies, processes and activities that contribute to integrity of financial reporting, the effectiveness of operations and compliance with laws and regulations. The Internal Control Framework has the following attributes:

- The Board directs and controls the company, through policies it approves and monitors performance against those policies. The CEO and executive management team have clear accountability for the implementation of these policies.
- Management of the company is in accordance with the authority delegated by the Board.
- Business functions have documented procedures as to how relevant policies are implemented, managed and reported. Control activities are listed which may be preventative or detective in nature and encompass a range of manual and automated activities such as authorisations and approvals.
- There is adequate segregation of duties between functions and within each function to mitigate the risk of loss due to mistakes and inappropriate actions to an acceptable level.
- There are different levels of supervision and review throughout the company:
- Transactions are appropriately recorded to permit the preparation of reliable financial statements.
- Outsourced activities are managed to the same standard as internal activities.

A nominated individual is responsible for oversight of all compliance matters including compliance with laws and regulations. They are responsible for reporting on compliance

matters to the Board and/or Audit Committee and for indicating whether appropriate remedial measures have been taken in the event of any deficiencies.

### **B.5 Internal audit function**

The Internal Audit function and Head of Internal Audit have been outsourced to KPMG who operate in accordance with the International Standards for the Professional Practice of Internal Auditing and other relevant codes of conduct. The function provides independent and objective assurance services, in respect of processes, whether carried out by its service providers or by employees, with due regard to the adequacy of the governance, risk management and internal control framework.

Audits are conducted within a Board approved Internal Audit Policy framework. The Head of Internal Audit reports to the Chair of the Audit Committee. The Audit Committee oversees the 'risk based' Audit Plan and reports and monitors implementation of recommendations.

Internal Audit reports highlight any significant control failings or weaknesses identified and the impact they have had or may have and the actions and timings which Management have agreed to take to rectify them.

The effectiveness of the Internal Audit Function as an assurance service depends upon its independence from the day-to-day operations of the business. The Head of Internal Audit provides an annual confirmation of the organisational independence of the Internal Audit function. This confirmation is undertaken through reporting to the Audit Committee.

### **B.6 Actuarial function**

The Group Actuarial Function and Head of Actuarial Function ("HoAF") are outsourced to KPMG (Ireland). The requirements of the HoAF are in line with guidance from the Central Bank of Ireland and the Society of Actuaries, and include, but are not limited to, the following matters:

- Coordinating the work of the actuarial function and advising the Board accordingly.
- Coordinating the calculation of the firm's technical provisions.
- Providing an opinion on the Underwriting Policy and reinsurance arrangements.
- The provision of advice and support to Octium on its solvency requirements.
- Contributing to the effective implementation of the risk management process.
- Modelling of the SCR and Minimum Capital requirement (MCR); and
- Contributing to the ORSA process.

### **B.7 Outsourcing / Key third party agreements**

The Group outsources some of its activities to reputable third parties. Service Level Agreements which set out the roles and responsibilities, policies, and procedures along with relevant KPIs, performance review procedures etc. are in place in respect of outsourced arrangements. Activities relating to financial and regulatory reporting for the holding companies are undertaken with the support of the finance function in Octium Life.

### **B.8 Any other information**

All material information regarding the System of Governance of the Group has been disclosed above.

## C. Risk Profile

The Solvency II framework requires, insurers to identify the key risks to which they are exposed. The Group's risk exposures relate primarily to uncertainty over the future revenues and expenses. Octium Life manufactures unit linked insurance products with no investment guarantees. Distribution is provided by the Octium International Insurance Agent, banks and other suitable intermediaries seeking wealth planning solutions for their clients.

The Group Board of Directors has adopted the Standard Formula, as specified in the Solvency II regulation to assess the risks the Group is exposed to and determine the level of SCR. The table below provides a breakdown of the key components of the Group and insurance subsidiaries Standard Formula calculations. Risks to capital and profits are assessed through the Group Own Risk and Solvency Assessment (ORSA).

Solvency Capital Requirement (€'000s)	Octium Life		Group	
	2025	2024	2025	2024
Market risk	60,471	53,830	67,794	61,221
Counterparty risk	1,642	3,520	1,721	3,476
Underwriting risk	62,154	61,656	70,727	69,357
Diversification effects	(26,786)	(26,409)	(30,161)	(29,553)
Basic SCR	97,480	92,597	110,081	104,501
Operational risk	3,952	3,541	3,315	3,033
Loss-absorbing capacity of deferred taxes	(8,636)	(7,264)	(10,939)	(9,136)
Solvency Capital Requirement	92,796	88,874	102,457	98,398

### C.1 Underwriting risk

Underwriting risk is the risk of loss or adverse change in the values of insurance and reinsurance liabilities, resulting from inadequate pricing and provisioning assumptions.

#### C.1.1 Risk exposure

The Group's underwriting risk profile is derived from the Standard Formula allowing for the impact of diversification. As of 31 December 2025, the SCR for this module is €70.7m (2024: €69.4m) with intra-module diversification of 18% (2024: 15.5%). The key underwriting risks to which the Group is exposed are set out below:

##### C1.1.1 Lapse risk

The primary risk is the risk of lapse rates being higher than expected leading to a loss of future income and potential increase in per policy expenses. However, the unit linked nature of the business means that the impact on the Group's solvency position is limited since technical provisions, Own Funds and capital requirements would all broadly move in line with the lower level of business.

## C1.1.2 Expense risk

Expense risk is the risk that future maintenance expenses are higher than levels assumed in Solvency II balance sheet. Expense risk can arise through mis-estimation, higher than expected inflation, lower business volumes or changes in the business mix or regulatory change.

## C.1.1.3 Mortality risk

Mortality risk is the risk of loss due to an increase in mortality rates. The Group's exposure to mortality risk may result in an increase in death cover payments and a reduction in expected future revenues.

## C.1.2 Changes in underwriting risk during 2025

The change in the significant intra-module components of the Group and insurance subsidiaries underwriting risk capital requirement is provided in the table below:

Underwriting Risk	Octium Life		Group	
	2025	2024	2025	2024
Lapse risk	49,582	47,768	58,621	55,974
Expense risk	19,164	20,634	19,164	20,634
Mortality risk	4,320	4,514	4,817	4,953
Longevity risk	672	1,112	0	439
Diversification effects	(11,724)	(12,495)	(12,015)	(12,766)
Life Catastrophe risk	140	123	140	123
Underwriting Risk Capital Requirement	62,154	61,656	70,727	69,357

## C.1.3 Mitigating actions and controls

The Group, assesses, monitors and controls underwriting risk through a number of methods:

- Product design minimises mortality risk
- Extensive use of reinsurance
- Lapse risk is mitigated by high quality customer care at commencement and throughout the term of the policy
- Expenses are tightly controlled and managed in line with business plans
- Quarterly monitoring of experience against stated risk tolerances
- The Own Risk and Solvency Assessment assesses risks under stressed conditions through a range of stress and scenario testing.

## C1.4 Sensitivity and stress testing

Stress and scenario testing conducted as part of the Group ORSA demonstrate the Group's resilience to a range of adverse underwriting stresses. The estimated impact of these sensitivities is shown in the table below:

% change following an adverse underwriting stress	Octium Life		Group	
	SCR	Own Funds	SCR	Own Funds
50% permanent increase in mortality	(8.7%)	(6.7%)	(8.4%)	(8.2%)
30% mass lapse event	12.7%	(21.4%)	6.5%	(27.0%)
50% reduction in expense efficiencies	1.3%	(1.8%)	1.6%	(2.1%)

## C.1.5 Risk concentration

There are no material underwriting risk concentrations.

## C.2 Market risk

Market risk is the risk of lower returns or losses arising from adverse movements in market prices. The Group has minimal direct exposure to market risk but retains significant indirect exposure as adverse movements in the value of policyholder assets reduces future policy administration fees. The Group accepts this risk as an inherent element of its business model.

### C.2.1 Risk exposure

The Group's market risk profile is derived from the standard formula allowing for the impact of diversification. As of 31 December 2025, the SCR for this module is €67.8m (2024: €61.2m) with intra-module diversification of 14.5% (2024: 21.0%) i.e. allowance for diversification between market risks. The key market risks to which the Group is exposed are set out below:

#### C.2.1.1 Equity risk

The risk of reduction in policy administration fees and/or value from unfavourable movements in equity asset values.

Equity risk relating to unit-linked assets is borne by the policyholder as any change in the value of the assets underlying the policies are offset by corresponding changes in the value of technical provisions. The Group remains exposed to the change in policy administration fee income which is charged as a percentage of asset values.

#### C.2.1.2 Spread risk

Spread risk relating to unit-linked assets is borne by the policyholder as any change in the value of the assets underlying the policies are offset by corresponding changes in the value of technical provisions. Like Equity Risk, the Group's exposure is limited to the extent that policy administration fees which are charged as a percentage of unit linked asset values, are reduced.

#### C.2.1.3 Currency risk

Currency risk is the risk of loss resulting from adverse movements in currency exchange rates. The Group's capital requirement for currency risk reflects the sensitivity of the values of assets, liabilities and in particular future revenues to changes in the level or in the volatility of currency exchange rates.

- The Group has an indirect exposure to currency risk to the extent that unit linked assets are denominated in currencies other than EUR - Approximately 33% of Octium Life's assets backing policyholder liabilities are denominated in non-EUR currencies of this an immaterial amount of assets are denominated in currencies pegged to the EUR.
- The Group has some direct exposure as a result of policy administration fees or expenses being denominated in currencies other than EUR.
- Some expenses are incurred in non-EUR currencies, in particular CHF.

#### C.2.1.4 Interest rate risk

Interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate relative to the respective liability due to changes in market interest rates.

The Group's senior and subordinated debt is valued on an accruals basis and therefore their values are unaffected by changes in interest rates. The senior loan is on demand subject to 90 days' notice and the lender may increase interest rates which would increase the future cost of the debt. The subordinated debt, which is undated, is referenced to the EUR 5Y swap rate.

Octium's on-demand cash deposits and cash held in unit linked assets are valued at par and are therefore unaffected by movements in interest rates. A change in interest rates however does change the interest income generated from these deposits.

#### C.2.1.4 Concentration risk

The risk that holdings in single assets or groups of associated assets magnify the market risk due to the concentrated nature of the exposure due to a lack of diversification.

#### C.2.2 Changes in market risk during 2025

The change in the significant intra-module components of the market risk capital requirement is provided in the table below:

Market Risk	Octium Life		Group	
	2025	2024	2025	2024
Equity risk	49,364	40,212	55,265	45,615
Spread risk	6,893	6,727	7,721	7,413
Currency risk	14,509	19,193	17,151	22,434
Interest Rate risk	634	146	553	382
Concentration risk	1,651	1,604	1,656	1,604
Diversification effects	(12,580)	(14,052)	(14,552)	(16,227)
Market Risk Capital Requirement	60,471	53,830	67,794	61,221

#### C.2.3 Mitigating actions and controls

The Group, assesses, monitors and controls market risk through a number of methods:

- Insurance subsidiaries comply with SII requirements relating to Prudent Person Principle

- Octium Life’s Investment Oversight Committees oversees the investment of unit linked assets to ensure they are invested prudently and, in a manner, to ensure their security, quality and liquidity.
- Investment policy imposes close matching of assets to insurance liabilities.

## C.2.4 Sensitivities and stress testing

Stress and scenario testing conducted as part of the ORSA demonstrate the Group’s resilience to a significant market stress. The estimated impact on the of the sensitivity explored is detailed in the table below:

% change following an adverse underwriting stress	Octium Life		Group	
	SCR	Own Funds	SCR	Own Funds
Equity price shock +30%	26.0%	11.2%	25.5%	14.3%

## C.2.5 Investment of assets in accordance with the prudent person principle

The ‘prudent person principle’ requires insurance companies to only invest in assets and instruments whose risks they can properly identify, measure, monitor, manage, control and report, and appropriately take into account in the assessment of its overall solvency needs. The Group considers these requirements before any investment in new assets or instruments.

The majority of the assets on the SII balance sheet are held in respect of unit linked contracts where the policyholder bears the market risks of the investments associated with their policy. In fact, assets are selected:

- directly by the policyholder (in policies where this option is available, and the policyholder chooses to do so) or
- by the Asset Manager of the mandate(s) underlying the policy (mandate(s) underlying policies are also chosen by the policyholder at the moment of subscription of a policy contract).

In order to mitigate as much as possible risks associated with investments, Octium Life implements investment monitoring processes in accordance with Solvency II prudent person principle and prudently selects asset managers and external funds suitable for policyholders.

Each external fund, before on-boarding, is analysed to verify its compliance with investment rules. Asset Managers are also subject to rigorous due diligence prior to business being placed with them. Asset Managers are issued with a fully documented set of rules and parameters specifying how assets are to be invested within each mandate and what assets are allowed in Octium’s portfolios in order to support the policyholder benefits.

Oversight of external funds and Assets Managers is provided by the Investment Oversight Committee of Octium Life. Any investment mandates or limit breaches are escalated for resolution to ensure investments always lie within the parameters set. Additional controls are in place to monitor assets liquidity and quality of their valuation processes.

For instruments where external pricing information is not readily available, the finance team oversees the use of appropriate valuation methods.

### **C.2.6 Risk concentrations**

There are no material market risk concentrations.

## **C.3 Credit risk**

Credit risk is the risk of lower returns or loss if another party fails to perform its financial obligations.

### **C.3.1 Risk exposure**

The Group's credit risk profile is derived from the Standard Formula allowing for the impact of diversification. As of 31 December 2025, the SCR for this module is €1.7m (2024: €3.5m).

Similar to market risk, credit risk on unit linked assets is borne by the policyholder. In addition, the Group has an exposure to credit risk in relation to its deposits with credit institutions, the Italian Tax Authorities and amounts receivable under reinsurance arrangements.

### **C.3.2 Changes in credit risk during 2025**

There has been no material change in the nature of the credit risk exposures during 2025.

### **C.3.3 Mitigating actions and controls**

The Group, monitors and controls credit risk using the following methods:

- Credit risk policy imposing principles and requirements for credit risk management and Investment Policy imposing credit ratings limits for investment counterparties and concentration limits to avoid overexposure to any investment counterparty.
- Regular monitoring of exposures relative to credit risk limits.
- Quarterly settlement of outstanding reinsurance balances.

### **C.3.4 Sensitivities and stress testing**

No credit risk sensitivity or stress testing was completed during 2025.

### **C.3.5 Risk concentrations**

The Group transfers its mortality risk to a single reinsurance company. In certain extreme circumstances this may result in a significant exposure.

## **C.4 Liquidity risk**

Liquidity risk is the risk that the Group does not have sufficient liquidity to meet its obligations when they fall due or would have to incur excessive costs or trading losses to do so.

### **C.4.1 Risk exposure**

The liquidity risk associated with unit linked assets is borne by the policyholder as policy contracts are linked to the liquidity of the underlying assets as well as the value.

The most significant liquidity risk for the Group is a demand for the immediate repayment of its senior debt, which was €18.1m on 31 December 2025 (2024: €18.1m). However, the holder of the senior debt is a connected undertaking and whose strategy is the long-term support of

the Group. The Group is also required to service annual interest payments of c. €4m on its debt arrangements.

Historically the requirements of the Italian substitute tax have been one of the most significant strains on Octium's liquidity. However, given a reducing cap and the 5-year roll-over relief which became effective in 2016, there is a significant reduction in the annual requirements over the last number of years. Liquidity is projected to remain strong and support the reduction of senior debt over the business planning period.

However, if the level of funds under management from Italian tax residents were to increase by 10% say (through higher new business volumes or investment returns) then the ITWA cap would also increase by the same percentage leading to additional liquidity requirements.

### C.4.2 Changes in liquidity risk exposure during 2025

There has been no material change in liquidity risk exposures during 2025.

### C.4.3 Mitigating actions and controls

The Group's objective is to ensure that it has sufficient liquidity to meet the short- and medium-term requirements of the business. As such:

- Octium Life held €103.4m in on-demand cash deposits and money market funds (2024: €77.9m) and €nil on 90-day notice (2024: Nil) on 31 December 2025.
- Other group entities held a total of €0.8m of on demand cash deposits on 31 December 2025 (2024: €1.3m).

Liquidity risk is principally managed in the following ways:

- Assets of a suitable marketability are held to meet liabilities as they fall due.
- Forecasts are prepared regularly to predict required liquidity levels over both the short and medium term.
- A liquidity buffer is maintained to cover unforeseen events.
- Ongoing monitoring allows mitigating actions to be taken at an early stage if required.

### C.4.4 Sensitivities and stress testing

The Group's projected cash position before dividends is expected to improve significantly over the next five years. As part of the Group ORSA the cashflow of the business was subjected to a range of adverse but plausible scenarios. In all cases the Group had sufficient cash inflows to meet liquidity requirements at all times.

% change following an adverse underwriting stress	Octium Life		Group	
	SCR	Own Funds	SCR	Own Funds
Increase in IWT Cap to 1.75%	0.5%	(2.1%)	0.7%	(2.4%)

### C.4.5 Expected profit included in future premiums

As of 31 December 2025, the Group's expected profit in future premiums was Nil (2024: Nil).

#### **C.4.6 Risk concentrations**

There are no material liquidity risk concentrations.

#### **C.5 Operational risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external causes (deliberate, accidental, or natural).

##### **C.5.1 Risk exposure**

The Group's operational risk profile is derived from the standard formula allowing for the impact of diversification. As of 31 December 2025, the SCR for this module is €3.3m (2024: €3.0m).

The primary operational risk exposures identified within the business include: Key person risk, system failure including business continuity risk, fraud risk, IT and cyber security, legal and compliance risk, governance failure, outsourcing and adequacy of resourcing.

##### **C.5.2 Changes in operational risk during 2025**

There has been no material change in the nature of the operational risks to which the Group is exposed to during 2025.

##### **C.5.3 Mitigating actions and controls**

The Group, monitors and reports operational risks using the following methods:

- A robust framework for the oversight and management of operational processes and material outsourcing arrangements.
- Regular Risk and Control Self-Assessment process.
- Incident management process, root cause analysis and learning from adverse experience.
- Oversight exercised by Internal Audit, Compliance and Risk functions.
- Emerging risk workshops are held as required.

##### **C.5.4 Sensitivity and stress testing**

The impact of a custodian failure was considered as part of the annual stress and scenario testing program. In this scenario event drivers and likely responses were documented, and an assessment of the adequacy of actions and plans was completed.

##### **C.5.5 Risk concentration**

There are no material operational risk concentrations.

#### **C.6 Other material risks**

##### **C.6.1 Strategic risk**

The risk of loss or other adverse impact on the Group arising from failing to identify and react appropriately to opportunities and/or threats arising from changes in the market, some of which may emerge over a number of years.

Octium prepares and approves an annual plan and budget, and performance is monitored against this plan throughout the year. Octium is significantly dependent on UBS for distribution of its products, bringing concentration risk. The Group accepts these risks as part of the strategy but is actively seeking new distributors to reduce this reliance. The financial impact of these risks materialising is lower profit and reduced solvency. Octium monitors key metrics such as lapses, claims and new business.

### **C.6.2 Emerging risks**

Octium holds workshops with business units as and when new risks arise to analyse these risks and their potential impact on the business.

### **C.7 Any other information**

All material information regarding the Group's risk profile has been set out above.

## D. Valuation for Solvency Purposes

### D.1 Assets

The valuation of assets for solvency purposes is required to be on a market consistent fair value basis. In general, this is determined in accordance with the financial statements. The Group's consolidated financial statements have been prepared in accordance with Luxembourg Generally Accepted Accounting Principles.

Certain assets are measured and presented to comply with Solvency II principles and differ from the measurement and presentation in the financial statements.

#### D.1.1 Group

Reconciliation of assets in F/S to Solvency II	2025 €'000	2024 €'000	Valuation Approach	Notes
<b>POLICYHOLDER ASSETS</b>				
Assets held to cover linked liabilities	8,491,332	8,260,053	Fair Value	D1.4
<b>SHAREHOLDER ASSETS</b>				
Cash at bank and in hand	103,943	79,379	Cost	
Italian substitute tax asset	125,100	87,461	Fair Value	
Other debtors and receivables	6,429	14,075	Fair Value	
Tangible assets	251	353	Amortised Cost	
Deferred acquisition cost	111	156	Amortised Cost	
Other financial investments	2	2		
Total assets	8,727,168	8,441,479		
<b>Adjustments for Solvency II</b>				
Reinsurance recoverable	(4,000)	(8,883)	Fair Value	D1.5
Deferred acquisition cost	(111)	(156)		
Holdings in related undertakings, including participations adjustment	-	(47)		
Tangible asset	-	(21)		
Total assets per Solvency II	8,723,057	8,432,372		

#### D.1.3 Octium Life

Reconciliation of assets in F/S to Solvency II	2025 €'000	2024 €'000	Valuation Approach	Notes
<b>POLICYHOLDER ASSETS</b>				
Assets held to cover linked liabilities	8,491,332	8,260,053	Fair Value	D1.4
<b>SHAREHOLDER ASSETS</b>				
Cash at bank and in hand	103,398	77,891	Cost	
Italian substitute tax asset	125,100	87,461	Cost	
Other debtors and receivables	6,478	15,109	Cost	
Tangible assets	191	201	Amortised Cost	
Deferred acquisition cost	111	156	Amortised Cost	
Other financial investments	2	2		
Total assets per F/S	8,726,612	8,440,873		
<b>Adjustments for Solvency II:</b>				
Reinsurance recoverable	(4,000)	(8,883)	Fair Value	D1.5
Deferred acquisition cost	(111)	(155)		
Total assets per Solvency II	8,722,501	8,431,835		

#### **D.1.4 Assets held for index-linked and unit-linked contracts**

Unit linked assets are measured at fair value for Solvency II purposes as well as in the Group and insurance subsidiaries financial statements.

A large portion of the assets are valued based on quoted prices obtained from an active market (recognised and active exchange). There are some assets which are priced based on inputs other than quoted prices that are market observable. There are also some assets which are priced based on inputs which are unobservable in the marketplace.

The objective of the valuation techniques applied is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

#### **D.1.5 Reinsurance recoverable**

This amount represents the reinsurers' share of technical provisions net of reinsurance premiums. Recoverable are valued using the Solvency II criteria which take into account the expected cash flows from recoveries net of reinsurance premiums, discounted according to the risk-free rate curve. The result is a negative asset representing the present value of reinsurance.

The Group has a provision of €123k to cover the excess of future expected death benefits in excess of associated risk fees. No other provision is required in the financial statements for future benefits paid above the value of unit linked assets in the case of death as the amounts, net of reinsurance, are immaterial and there are sufficient profits arising from the policies to cover any costs.

#### **D.1.6 Withholding Tax Asset**

Octium Life, as Italian Withholding Tax Agents are required to make an annual tax prepayment to the Italian Tax Authorities of 0.50% of the Italian assets under administration on 31 December, subject to relief in the form of a cap on the overall level of the asset and an offset mechanism which compares payments five years prior to current year recoveries. Contributions to the Italian Revenue are recognised as a tax prepayment asset. Recovery of the asset is through future policyholder exit tax on chargeable gains, the amount and timing of which is dependent on the level of unrealised gains or losses that exist at policy level. This asset has been valued at cost less any provision for impairment in the statutory financial statements. In the Solvency II balance sheet, the asset is held at face value and the discounting is applied using the Solvency II criteria within Best Estimate Liabilities element of technical provisions.

#### **D.2 Technical Provisions**

The technical provisions have been calculated as the sum of a best estimate plus a risk margin in accordance with Articles 75 to 86 of the Solvency II Directive. They represent a realistic estimate of the company's future obligations with an allowance for some deviation for plausible changes in estimation in the form of the risk margin.

The table below sets out the components of the technical provisions as of 31 December.

Technical Provisions (€'000)	Octium Life		Group	
	2025	2024	2025	2024
BEL	8,181,729	8,083,746	8,158,230	8,062,032
Risk Margin	32,591	32,059	37,663	38,797
Technical provisions	8,214,320	8,115,805	8,195,893	8,100,829

The key sources of uncertainty for Octium are investment performance and policyholder behaviour assumptions. The non-unit BEL (negative liability) has increased due to the lowering of the mortality and lapse valuation assumption.

## D.2.1 Best Estimate Liabilities (BEL)

The BEL represents unit linked liabilities less the projected future surplus arising from fees from the existing policies. The BEL is calculated as the discounted value of projected monthly cashflows involved in fulfilling the liabilities under the in-force business. Octium matches all liabilities under unit linked policies with the underlying assets and the policies are valued by reference to the market value of those assets.

The main assumption in calculating the future surplus from the unit linked policies is regarding the level and duration of future expenses and policy lapse rates.

The calculations have been performed on a best estimate basis in accordance with the Solvency II Directive. The underlying policyholder behaviour assumptions are based on policyholder behaviour experience (e.g. surrenders/lapses, fund choices). Economic assumptions have been set consistent with economic conditions prevailing on 31 December 2024. The calculations do not make any allowance for transitional measures or assumed management actions.

## D.2.2 Risk Margin

The Risk Margin is an addition to the BEL to ensure that the technical provisions are equivalent to the amount that an insurance undertaking would be expected to be paid in order to take over the insurance liabilities and administer the payment of these obligations as they fall due. The risk margin is calculated as the amount of capital needed to support the SCR over the lifetime of the business.

In calculating the technical provisions Octium does not apply the following:

1. Matching adjustment referred to in Article 77b of Directive 2009/138/EC.
2. Volatility adjustment referred to in Article 77d of Directive 2009/138/EC.
3. Transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.
4. Transitional deduction referred to in Article 308d of Directive 2009/138/EC.

The difference between financial statements and the Solvency II valuation of technical provisions is set out in the table below.

Reconciliation of Technical Provisions (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Technical provisions per F/S	8,491,332	8,260,053	8,491,332	8,260,053
Other Provisions	(215,123)	(88,453)	(215,124)	(88,453)
BEL	(94,480)	(87,854)	(117,978)	(109,568)

Reconciliation of Technical Provisions (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Risk Margin	32,591	32,059	37,663	38,797
SII Technical Provisions	8,214,320	8,115,805	8,195,893	8,100,829

## D.3 Other Liabilities

### D.3.1 Other Liabilities

These comprise of payments due to Octium's policyholders and intermediaries, the senior and subordinated debt issued by Octium Holding, other creditors such as tax and social insurance and accruals for expenses incurred prior to year-end. No adjustment is required to these valuations for solvency purposes as the amounts held under accounting principles are deemed to be approximations of fair value.

Other Liabilities (€'000)	Octium Life		Group	
	2025	2024	2025	2024
Creditors arising from insurance	215,279	88,802	215,279	88,453
Senior Loan	-	-	17,570	18,052
Subordinated Loan	-	-	67,500	67,500
Other creditors & accruals	67,130	17,988	89,044	36,646
Deferred tax	7,236	5,864	9,539	15,000
Other Liabilities	289,645	112,654	398,932	225,651

### D.3.2 Contingent liabilities

For the valuation for solvency purposes, material contingent liabilities must be recognised as liabilities, unlike accounting principles under which they are only recognised if the payment of a liability is probable (more likely than not) and can be estimated reliably. Under Solvency II valuation principles, contingent liabilities are valued on the expected present value of future cash flows required to settle the liabilities over their lifetimes.

The Group had no contingent liabilities on 31 December 2025 or 31 December 2024.

## D.4 Alternative Methods for Valuation

Neither the Group nor the insurance subsidiaries use any alternative methods for valuation other than those discussed above where the accounting basis differs from those prescribed under Solvency II.

## D.5 Any Other Information

All material information regarding valuation for solvency purposes is set out above.

## E. Capital Management

### E.1 Own funds

#### E.1.1 Policies and Processes

Octium Holding is a single shareholder entity whose shares are fully paid up. The Group's own fund items (other than the value arising from the existing policies and the Italian tax assets) are invested in bank deposits.

The Group is at all times required to have own funds available at group level equal to at least 100% of its SCR. The Group sets internal target capital levels above the level of its SCR to ensure timely action can be taken to address a deteriorating capital position.

#### E.1.2 Analysis of Own Funds

Group own funds are comprised of paid-in ordinary share capital, a paid-up subordinated loan and the reconciliation reserve, as detailed in the table below.

Octium Holding issued a non-subordinated loan to a connected undertaking in May 2017. In December 2017, part of the non-subordinated debt was converted into Tier 1 subordinated debt. However, due to Solvency II limits, not all of available Tier 1 sub-debt is eligible to cover the Group's SCR and MCR. The subordinated debt issued in December 2023 is treated as Tier 1 subordinated debt.

Analysis of Own Funds	2025 €'000			2024 €'000		
	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total
Share Capital	31	-	31	31	-	31
Subordinated Liabilities	67,500	-	67,500	67,500	-	67,500
Subordinated Liabilities – SCR tiering restrictions	(35,448)	35,448	-	(39,211)	39,211	-
Reconciliation Reserve	128,173	-	128,173	113,124	-	113,124
Own Funds Available to meet SCR	160,256	-	160,256	141,444	39,211	180,655
Subordinated Liabilities – MCR tiering restrictions		(32,051)	(32,051)	-	(30,355)	(30,355)
Own Funds Available to meet MCR	160,256	3,397	163,653	141,444	8,856	150,300

The reconciliation reserve is made up of retained earnings as per the consolidated balance sheet and the projected future surplus arising from fees from the existing policies (i.e. technical provisions excluding unit reserves) net of deferred tax liabilities. A reconciliation between equity as shown in the financial statements and the Solvency II excess of assets over liabilities is shown below.

There are no restrictions to the fungibility and transferability of the related undertaking's own funds within the Group.

The increase in own funds from 31 December 2024 to 31 December 2025 is mainly driven by strong investment return during the year.

## E.1.3 Reconciliation of equity in the Financial Statements and Own Funds (excluding tiering restrictions)

Reconciliation of Equity to Own Funds	2025 €'000	2024 €'000
Total Equity per F/S	59,409	58,397
Solvency II BEL	117,978	109,568
Solvency II Risk Margin	(37,663)	(38,797)
Deferred Tax Liability	(9,539)	(7,736)
Reinsurance Recoverable	(4,000)	(8,883)
Adj re inter-company holdings	2,131	762
Deferred acquisition cost	(111)	(156)
Excess of Assets over Liabilities	128,205	113,155
Subordinated Liabilities	67,500	67,500
<b>Own Funds (excluding tiering restrictions)</b>	<b>195,705</b>	<b>180,655</b>

The Group's own funds bear the following features:

1. They are not subject to transitional arrangements.
2. No deductions have been applied to own funds.
3. There are no ancillary own funds.

## E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Group calculates its solvency capital requirement using the consolidation-based method (Method 1). The amount of Group's SCR and MCR on 31 December 2025 are €102.5m and €46.1m respectively (2024: €98.4m and €44.3m).

The table below shows the components of the SCR (using the Standard Formula) on 31 December for the Group and insurance subsidiaries:

Solvency Capital Requirement (€'000s)	Octium Life		Group	
	2025	2024	2025	2024
Market risk	60,471	53,830	67,794	61,221
Counterparty risk	1,642	3,520	1,721	3,476
Underwriting risk	62,154	61,656	70,727	69,357
Diversification effects	(35,326)	(26,409)	(30,161)	(29,553)
Basic SCR	97,480	92,597	110,081	104,501
Operational risk	3,952	3,541	3,315	3,033
Loss-absorbing capacity of deferred taxes	(8,636)	(7,264)	(10,939)	(9,136)
Solvency Capital Requirement	92,796	88,874	102,457	98,398

The increase in the SCR ratio in Octium Holding is primarily driven by changes to the SCR ratio at the entity level.

The Group has not opted to use the duration-based equity risk sub-module, of the Solvency II regulations.

## E.3 Differences between the standard formula and any internal model used

The Group does not use an internal model.

#### **E.4 Non-compliance with the MCR and non-compliance with the SCR**

There was no breach of the Solvency Capital Requirement (and hence the Minimum Capital Requirement) over the reporting period.

#### **E.5 Any Other Information**

The Group uses EIOPA's Solvency II Standard Formula. It does not use specific parameters and does not use simplified calculations in its computation of capital requirements.

## Appendix A: Quantitative Reporting Templates

		Solvency II value
		C0010
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	250,498
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	89,783,040
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	2,070
R0190	Derivatives	
R0200	Deposits other than cash equivalents	89,780,970
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	8,491,332,461
TR0220	Amount to be included in TR0220 that is not derived from S(E).06.02	
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	-3,999,742
R0280	Non-life and health similar to non-life	0
R0290	Non-life excluding health	
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	-3,999,742
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	4,393,398
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	2,035,595
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	14,162,962
R0420	Any other assets, not elsewhere shown	125,072,622
R0500	<b>Total assets</b>	<b>8,723,030,835</b>

## QRT – S02.01.02 – Balance Sheet (continued)

		C0010
R0510	Technical provisions – non-life	0
R0520	Technical provisions – non-life (excluding health)	0
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	
R0550	Risk margin	
R0560	Technical provisions - health (similar to non-life)	0
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	
R0590	Risk margin	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions – life (excluding health and index-linked and	0
R0660	Technical provisions calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions – index-linked and unit-linked	8,195,892,938
R0700	Technical provisions calculated as a whole	8,276,207,898
R0710	Best Estimate	-117,977,581
R0720	Risk margin	37,662,620
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	215,279,192
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	9,539,402
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	17,570,485
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	89,044,099
R0850	Subordinated liabilities	67,500,000
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	67,500,000
R0880	Any other liabilities, not elsewhere shown	
R0900	<b>Total liabilities</b>	<b>8,594,826,116</b>
R1000	<b>Excess of assets over liabilities</b>	<b>128,204,719</b>

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

		Line of Business for:	
		Index-linked and unit-linked insurance	Total
		C0230	C0300
<b>Premiums written</b>			
R1410	Gross	317,953,897	317,953,897
R1420	Reinsurers' share	1,811,301	1,811,301
R1500	Net	316,142,596	316,142,596
<b>Premiums earned</b>			
R1510	Gross	317,953,897	317,953,897
R1520	Reinsurers' share	1,811,301	1,811,301
R1600	Net	316,142,596	316,142,596
<b>Claims incurred</b>			
R1610	Gross	906,518,644	906,518,644
R1620	Reinsurers' share	1,025,036	1,025,036
R1700	Net	905,493,608	905,493,608
R1900	<b>Expenses incurred</b>	24,101,976	24,101,976
<b>Administrative expenses</b>			
R1910	Gross	16,009,704	16,009,704
R1920	Reinsurers' share	0	0
R2000	Net	16,009,704	16,009,704
<b>Investment management expenses</b>			
R2010	Gross		0
R2020	Reinsurers' share		0
R2100	Net	0	0
<b>Claims management expenses</b>			
R2110	Gross		0
R2120	Reinsurers' share		0
R2200	Net	0	0
<b>Acquisition expenses</b>			
R2210	Gross	8,092,272	8,092,272
R2220	Reinsurers' share		0
R2300	Net	8,092,272	8,092,272
<b>Overhead expenses</b>			
R2310	Gross		0
R2320	Reinsurers' share		0
R2400	Net	0	0
R2510	<b>Balance - other technical expenses/income</b>		
R2600	<b>Total expenses</b>		24,101,976
R2700	<b>Total amount of surrenders</b>	519,932,868	519,932,868

## Octium Group – Own Funds – S.23.01.22

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2
	C0010	C0020	C0030	C0040
<b>Own funds</b>				
<b>Basic own funds before deduction for participations in other financial sector</b>				
R0010 Ordinary share capital (gross of own shares)	31,000	31,000		0
R0020 Non-available called but not paid in ordinary share capital to be deducted at group level	0			
R0030 Share premium account related to ordinary share capital	0	0		0
R0040 Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0
R0050 Subordinated mutual member accounts	0		0	0
R0060 Non-available subordinated mutual member accounts to be deducted at group level	0			
R0070 Surplus funds	0	0		
R0080 Non-available surplus funds to be deducted at group level	0			
R0090 Preference shares	0		0	0
R0100 Non-available preference shares to be deducted at group level	0			
R0110 Share premium account related to preference shares	0		0	0
R0120 Non-available share premium account related to preference shares to be deducted at group level	0			
R0130 Reconciliation reserve	128,173,719	128,173,719		
R0140 Subordinated liabilities	67,500,000		67,500,000	0
R0150 Non-available subordinated liabilities to be deducted at group level	0			
R0160 An amount equal to the value of net deferred tax assets	0			
R0170 The amount equal to the value of net deferred tax assets not available to be deducted at the group level	0			
R0180 Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0
R0190 Non-available own funds related to other own funds items approved by supervisory authority to be deducted	0			
R0200 Minority interests at group level	0			
R0210 Non-available minority interests to be deducted at group level	0			
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>				
R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds				
<b>Deductions</b>				
R0230 Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	0			
R0240 Whereof deducted according to art 228 of the Directive 2009/138/EC	0			
R0250 Deductions for participations where there is non-availability of information (Article 229)	0			
R0260 Deduction for participations included via Deduction and Aggregation method when a combination of methods is used	0			
R0270 Total of non-available own funds to be deducted	0	0	0	0
<b>Total deductions</b>				
R0280	0	0	0	0
R0290	195,704,719	128,204,719	67,500,000	0
<b>Total basic own funds after deductions</b>				
<b>Ancillary own funds</b>				
R0300 Unpaid and uncalled ordinary share capital callable on demand	0			
R0310 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			
R0320 Unpaid and uncalled preference shares callable on demand	0			
R0330 A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			
R0340 Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			
R0350 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			
R0360 Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			
R0370 Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			
R0380 Non available ancillary own funds to be deducted at group level	0			
R0390 Other ancillary own funds	0			
R0400	0			0
<b>Own funds of other financial sectors</b>				
R0410 Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0			
R0420 Institutions for occupational retirement provision	0			
R0430 Non-regulated undertakings carrying out financial activities	0			
R0440	0	0	0	0
<b>Own funds when using the Deduction and Aggregation method (D&amp;A), exclusively or in combination with method 1</b>				
R0450 Own funds aggregated when using the Deduction and Aggregation method and combination of methods	0			
R0460 Own funds aggregated when using the Deduction and Aggregation method and combination of methods net of IGT	0			
R0520 Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sectors and own funds from undertakings included via D&A method)	195,704,719	128,204,719	67,500,000	0
R0560 Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sectors and own funds from undertakings included via D&A method)	195,704,719	128,204,719	32,051,180	35,448,820
R0530 Total available own funds to meet the minimum consolidated group SCR	195,704,719	128,204,719	67,500,000	0
R0570 Total eligible own funds to meet the minimum consolidated group SCR	169,477,029	128,204,719	32,051,180	9,221,130
R0800 Total eligible own funds to meet the consolidated group SCR (including own funds from other financial sectors, excluding own funds from undertakings included via D&A method)	195,704,719	128,204,719	32,051,180	35,448,820
R0810 Total eligible own funds to meet the group SCR (excluding own funds from other financial sectors, including own funds from undertakings included via D&A method)	195,704,719	128,204,719	32,051,180	35,448,820
R0660 <b>Total eligible own funds to meet the total group SCR (including own funds from other financial sectors and own funds from undertakings included via D&amp;A method)</b>	195,704,719	128,204,719	32,051,180	35,448,820
R0820 Consolidated part of the Group SCR (excluding CR for other financial sectors and SCR for undertakings included via D&A method)	102,456,997			
R0610 <b>Minimum consolidated Group SCR</b>	46,105,649			
R0860 <b>Capital requirements (CR) from other financial sectors</b>	0			
R0590 <b>Consolidated Group SCR (including CR for other financial sectors, excluding SCR for undertakings included via D&amp;A method)</b>	102,456,997			
R0670 <b>SCR for undertakings included via D&amp;A method</b>	0			
R0830 <b>Group SCR (excluding CR for other financial sectors, including SCR for undertakings included via D&amp;A method)</b>	102,456,997			
R0680 <b>Total Group SCR (including CR for other financial sectors and SCR for undertakings included via D&amp;A method)</b>	102,456,997			
R0630 <b>Ratio of Eligible own funds (R0560) to the consolidated part of the Group SCR (R0820) - ratio excluding other financial sectors and undertakings included via D&amp;A method</b>	1.9101			
R0650 <b>Ratio of Eligible own funds (R0570) to Minimum Consolidated Group SCR (R0610)</b>	3.6758			
R0840 <b>Ratio of Eligible own funds (R0800) to the Consolidated group SCR (R0590) - ratio including other financial sectors, excluding undertakings included via D&amp;A method</b>	1.9101			
R0850 <b>Ratio of Eligible own funds (R0810) to the group SCR (R0830) - ratio excluding other financial sectors, including undertakings included via D&amp;A method</b>	1.9101			
R0690 <b>Ratio of Total Eligible own funds (R0660) to the Total group SCR (R0680) - ratio including other financial sectors and undertakings included via D&amp;A method</b>	1.9101			
<b>Reconciliation reserve</b>				
<b>Reconciliation reserve</b>				
R0700 Excess of assets over liabilities	128,204,719			
R0710 Own shares (held directly and indirectly)				
R0720 Foreseeable dividends, distributions and charges				
R0730 Other basic own fund items	31,000			
R0740 Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds				
R0750 Other non-available own funds				
R0760 <b>Reconciliation reserve</b>	128,173,719			
<b>Expected profits</b>				
R0770 Expected profits included in future premiums (EPIFP) - Life business				
R0780 Expected profits included in future premiums (EPIFP) - Non-life business				
R0790 <b>Total Expected profits included in future premiums (EPIFP)</b>	0			

## Octium Group – SCR for groups on standard formula – S.25.01.22

Z0010		Article 112	Z0010	No		
				Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
R0010	Market risk		R0010	67,794,062	67,794,062	0
R0020	Counterparty default risk		R0020	1,721,672	1,721,672	0
R0030	Life underwriting risk		R0030	70,727,184	70,727,184	0
R0040	Health underwriting risk		R0040			0
R0050	Non-life underwriting risk		R0050		0	0
R0060	Diversification		R0060	-30,161,043	-30,161,043	
R0070	Intangible asset risk		R0070	0	0	
R0100	<b>Basic Solvency Capital Requirement</b>		R0100	110,081,875	110,081,875	
<b>Calculation of Solvency Capital Requirement</b>				C0100		
R0120	Adjustment due to RFF/MAP nSCR aggregation		R0120		3,314,525	
R0130	Operational risk		R0130		0	
R0140	Loss-absorbing capacity of technical provisions		R0140		-10,939,402	
R0150	Loss-absorbing capacity of deferred taxes		R0150			
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160			
R0200	<b>Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on</b>		R0200		102,456,997	
R0210	Capital add-ons already set		R0210		0	
R0211	of which, capital add-ons already set - Article 37 (1) Type a		R0211			
R0212	of which, capital add-ons already set - Article 37 (1) Type b		R0212			
R0213	of which, capital add-ons already set - Article 37 (1) Type c		R0213			
R0214	of which, capital add-ons already set - Article 37 (1) Type d		R0214			
R0220	<b>Consolidated Group SCR</b>		R0220		102,456,997	
<b>Other information on SCR</b>				R0400		
R0400	Capital requirement for duration-based equity risk sub-module		R0400			
R0410	Total amount of Notional Solvency Capital Requirements for remaining part		R0410			
R0420	Total amount of Notional Solvency Capital Requirements for ring-fenced funds		R0420			
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios		R0430			
R0440	Diversification effects due to RFF nSCR aggregation for article 304		R0440			
R0450	Method used to calculate the adjustment due to RFF/MAP nSCR aggregation		R0450		4 - No adjustment	
R0460	Net future discretionary benefits		R0460			
R0470	Minimum consolidated group solvency capital requirement		R0470		46,105,649	
<b>Information on other entities</b>				R0500		
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies		R0500		0	
R0510	Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions		R0510			
R0520	Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities		R0520			
R0530	Capital requirement for non-controlled participations		R0530			
R0540	Capital requirement for residual undertakings		R0540			
R0550	Capital requirement for collective investment undertakings or investments packaged as funds		R0550			
R0555	<b>Overall SCR</b>		R0555			
R0560	SCR for undertakings included via D&A method		R0560			
R0570	<b>Total group solvency capital requirement</b>		R0570		102,456,997	

## Octium Group – Undertakings in the scope of the group – S.32.01.22

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
<b>C0010</b>	<b>C0020</b>	<b>C0030</b>	<b>C0040</b>	<b>C0050</b>	<b>C0060</b>	<b>C0070</b>	<b>C0080</b>
LU	549300X6ZVC40A FS2063	LEI	Octium Holding S.A.	5	Société anonyme	2	
IE	5299002005TKOT GSSZ42	LEI	Octium Life DAC	1	Company limited by shares	2	Central Bank of Ireland
LI	549300OHH5P7X WOLBL80	LEI	Octium_International_Insurance_Services_AG	99	Company limited by shares	2	Financial Market Authority Liechtenstein
IT	549300B5M7Z8CX 8LRX97LU00002LU 00002	SC	Octium Services AG	99	Company limited by shares	2	

Ranking criteria (in the group currency)									
Total Balance Sheet (for (re)insurance undertakings)	Total Balance Sheet (for other regulated undertakings)	Total Balance Sheet (non-regulated undertakings)	Written premiums net of reinsurance ceded under IFRS or local GAAP for (re)insurance undertakings	Turn over defined as the gross revenue under IFRS or local GAAP for other types of undertakings or insurance holding companies	Underwriting performance	Investment performance	Total performance	Accounting standard	
<b>C0090</b>	<b>C0100</b>	<b>C0110</b>	<b>C0120</b>	<b>C0130</b>	<b>C0140</b>	<b>C0150</b>	<b>C0160</b>	<b>C0170</b>	
	156,007,042			33,727			-4,475,985	2	
8,726,612,929			316,142,596		1,212,571	1,707,433	5,512,758	2	
		329,595					68,147	2	
		536,019					-71,282	2	

Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation		Covered by internal model for Group SCR calculations	Type of VA being used in the group internal model
% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking			
<b>C0180</b>	<b>C0190</b>	<b>C0200</b>	<b>C0210</b>	<b>C0220</b>	<b>C0230</b>	<b>C0240</b>	<b>C0250</b>	<b>C0260</b>	<b>C0270</b>	<b>C0280</b>	
1.0000	0.5100	1.0000		1	1.0000	1		1	1	Total/NA	
1.0000	0.5100	1.0000		1	1.0000	1		1	1	Total/NA	
1.0000	0.5100	1.0000		1	1.0000	1		1	1	Total/NA	

## Octium Life - Balance Sheet - S.02.01.02

		<b>Solvency II value</b>
		C0010
<b>Assets</b>		
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	191,044
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	89,783,040
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	2,070
R0190	Derivatives	
R0200	Deposits other than cash equivalents	89,780,970
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	8,491,332,461
TR0220	Amount to be included in TR0220 that is not derived from S(E).06.02	28,798,473
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	-3,999,743
R0280	Non-life and health similar to non-life	0
R0290	Non-life excluding health	
R0300	Health similar to non-life	
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	0
R0340	Life index-linked and unit-linked	-3,999,743
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	4,384,298
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	997,752
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	13,617,051
R0420	Any other assets, not elsewhere shown	126,196,043
R0500	<b>Total assets</b>	<b>8,722,501,947</b>
		<b>Solvency II value</b>

## F.2. QRT – S.02.01.02 – Balance Sheet (continued)

		<b>Solvency II value</b>
		C0010
	<b>Liabilities</b>	
R0510	Technical provisions – non-life	0
R0520	Technical provisions – non-life (excluding health)	0
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	
R0550	Risk margin	
R0560	Technical provisions - health (similar to non-life)	0
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	
R0590	Risk margin	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	0
R0630	Best Estimate	0
R0640	Risk margin	0
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	Technical provisions calculated as a whole	0
R0670	Best Estimate	0
R0680	Risk margin	0
R0690	Technical provisions – index-linked and unit-linked	8,214,319,579
R0700	Technical provisions calculated as a whole	0
R0710	Best Estimate	8,181,728,292
R0720	Risk margin	32,591,287
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	215,279,105
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	7,236,072
R0790	Derivatives	
R0800	Debts owed to credit institutions	0
ER0801	Debts owed to credit institutions resident domestically	
ER0802	Debts owed to credit institutions resident in the euro area other than domestic	
ER0803	Debts owed to credit institutions resident in rest of the world	
R0810	Financial liabilities other than debts owed to credit institutions	0
ER0811	Debts owed to non-credit institutions	0
ER0812	Debts owed to non-credit institutions resident domestically	
ER0813	Debts owed to non-credit institutions resident in the euro area other than domestic	
ER0814	Debts owed to non-credit institutions resident in rest of the world	
ER0815	Other financial liabilities (debt securities issued)	
R0820	Insurance & intermediaries payables	3,470,973
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	63,660,389
R0850	Subordinated liabilities	0
ER0851	Non-negotiable instruments held by credit institutions resident domestically	
ER0852	Non-negotiable instruments held by credit institutions resident in the euro area other than	
ER0853	Non-negotiable instruments held by credit institutions resident in rest of the world	
ER0854	Non-negotiable instruments held by non-credit institutions resident domestically	
ER0855	Non-negotiable instruments held by non-credit institutions resident in the euro area other	
ER0856	Non-negotiable instruments held by non-credit institutions resident in rest of the world	
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	0
R0880	Any other liabilities, not elsewhere shown	
R0900	<b>Total liabilities</b>	<b>8,503,966,118</b>
R1000	<b>Excess of assets over liabilities</b>	<b>218,535,829</b>

## Octium Life - Premiums, claims and expenses by line of business – S.05.01.02

		Line of Business for:	
		Index-linked and unit-linked insurance	Total
		C0230	C0300
<b>Premiums written</b>			
R1410	Gross	317,953,897	317,953,897
R1420	Reinsurers' share	1,811,301	1,811,301
R1500	Net	316,142,596	316,142,596
<b>Premiums earned</b>			
R1510	Gross	317,953,897	317,953,897
R1520	Reinsurers' share	1,811,301	1,811,301
R1600	Net	316,142,596	316,142,596
<b>Claims incurred</b>			
R1610	Gross	906,518,644	906,518,644
R1620	Reinsurers' share	1,025,036	1,025,036
R1700	Net	905,493,608	905,493,608
R1900	<b>Expenses incurred</b>	24,101,976	24,101,976
<b>Administrative expenses</b>			
R1910	Gross	16,009,704	16,009,704
R1920	Reinsurers' share	0	0
R2000	Net	16,009,704	16,009,704
<b>Investment management expenses</b>			
R2010	Gross		0
R2020	Reinsurers' share		0
R2100	Net	0	0
<b>Claims management expenses</b>			
R2110	Gross		0
R2120	Reinsurers' share		0
R2200	Net	0	0
<b>Acquisition expenses</b>			
R2210	Gross	8,092,272	8,092,272
R2220	Reinsurers' share		0
R2300	Net	8,092,272	8,092,272
<b>Overhead expenses</b>			
R2310	Gross		0
R2320	Reinsurers' share		0
R2400	Net	0	0
R2510	<b>Balance - other technical expenses/income</b>		
R2600	<b>Total expenses</b>		24,101,976
R2700	<b>Total amount of surrenders</b>	519,932,868	519,932,868

## Octium Life – Own Funds – G.S3.01.01

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C001D		C003D	C004D	C005D
<b>Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of</b>					
R0010 Ordinary share capital (gross of own shares)	1,000,000	1,000,000		0	
R0030 Share premium account related to ordinary share capital	0	0		0	
R0040 Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0	
R0050 Subordinated mutual member accounts	0		0	0	0
R0070 Surplus funds	0				
R0090 Preference shares	0		0	0	0
R0110 Share premium account related to preference shares	0		0	0	0
R0130 Reconciliation reserve	212,535,829	212,535,829			
R0140 Subordinated liabilities	0		0	0	0
R0160 An amount equal to the value of net deferred tax assets	0				
R0180 Other own fund items approved by the supervisory authority as basic own funds not specified above	5,000,000	5,000,000	0	0	0
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>					
R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
<b>Deductions</b>					
R0230 Deductions for participations in financial and credit institutions	0				
R0290 <b>Total basic own funds after deductions</b>	218,535,829	218,535,829	0	0	0
<b>Ancillary own funds</b>					
R0300 Unpaid and uncalled ordinary share capital callable on demand	0				
R0310 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320 Unpaid and uncalled preference shares callable on demand	0				
R0330 A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340 Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360 Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370 Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390 Other ancillary own funds	0			0	0
R0400 <b>Total ancillary own funds</b>	0			0	0
<b>Available and eligible own funds</b>					
R0500 Total available own funds to meet the SCR	218,535,829	218,535,829	0	0	0
R0510 Total available own funds to meet the MCR	218,535,829	218,535,829	0	0	0
R0540 Total eligible own funds to meet the SCR	218,535,829	218,535,829	0	0	0
R0550 Total eligible own funds to meet the MCR	218,535,829	218,535,829	0	0	0
R0580 <b>SCR</b>	92,796,229				
R0600 <b>MCR</b>	41,758,303				
R0620 <b>Ratio of Eligible own funds to SCR</b>	2.3550				
R0640 <b>Ratio of Eligible own funds to MCR</b>	5.2334				
<b>Reconciliation reserve</b>					
R0700 Excess of assets over liabilities	218,535,829				
R0710 Own shares (held directly and indirectly)					
R0720 Foreseeable dividends, distributions and charges					
R0730 Other basic own fund items	6,000,000				
R0740 Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds					
R0760 <b>Reconciliation reserve</b>	212,535,829				
<b>Expected profits</b>					
R0770 Expected profits included in future premiums (EPIFP) - Life business	0				
R0780 Expected profits included in future premiums (EPIFP) - Non- life business	0				
R0790 <b>Total Expected profits included in future premiums (EPIFP)</b>	0				

## Octium Life – SCR for groups on standard formula – S.25.01.21

		<b>Gross solvency capital requirement</b>
		C0110
R0010	Market risk	60,471
R0020	Counterparty default risk	1,642
R0030	Life underwriting risk	62,154
R0040	Health underwriting risk	0
R0050	Non-life underwriting risk	0
R0060	Diversification	-26,786
R0070	Intangible asset risk	0
R0100	<b>Basic Solvency Capital Requirement</b>	<b>97,481</b>
		C0100
R0130	Operational risk	3,952
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-8,636
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	<b>Solvency capital requirement excluding capital add-on</b>	<b>92,796</b>
R0210	Capital add-on already set	0
R0211	of which, capital add-ons already set - Article 37 (1) Type a	0
R0212	of which, capital add-ons already set - Article 37 (1) Type b	0
R0213	of which, capital add-ons already set - Article 37 (1) Type c	0
R0214	of which, capital add-ons already set - Article 37 (1) Type d	0
R0220	<b>Solvency capital requirement</b>	<b>92,796</b>
<b>Other information on SCR</b>		
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirement for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
		<b>Yes/No</b>
		C0109
R0590	Approach based on average tax rate	0
<b>Calculation of loss absorbing capacity of deferred taxes</b>		
		<b>LAC DT</b>
		C0130
R0600	DTA	
R0610	DTA carry forward	
R0620	DTA due to deductible temporary differences	
R0630	DTL	
R0640	LAC DT	-8,636
R0650	LAC DT justified by reversion of deferred tax liabilities	0
R0660	LAC DT justified by reference to probable future taxable economic profit	-8,636
R0670	LAC DT justified by carry back, current year	0
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	-8,636