Admiral Group plc

Group Solvency and Financial Condition Report

31 December 2019

CONTENTS

INTRODUCTION

This Admiral Group plc Solvency and Financial Condition Report (SFCR) has been prepared in compliance with Solvency II regulatory requirements. It contains a range of regulatory disclosures that support the information presented in the Quantitative Reporting Templates (QRTs) shown in Appendix 3.

The report is not intended to provide a comprehensive review of the Group's businesses and the markets in which they operate, how these businesses are managed, or performance of these businesses during the year. This information is detailed in the Group's 2019 Annual Report. Where relevant, specific references to the Annual Report are made throughout this SFCR. It can be found at:

https://admiralgroup.co.uk/sites/default/files_public/annual-report/2020/03/2019-full-year-results-annual-report.pdf

STRUCTURE AND CONTENTS

This Group SFCR has been prepared in accordance with Article 359 and Articles 290 to 298 of the Solvency II delegated acts. The structure of the report is in accordance with Annex XX of the delegated acts.

The Group has obtained supervisory waivers from the Prudential Regulatory Authority (PRA) and the Gibraltar Financial Services Commission (GFSC) to include solvency information relating to Solvency II regulated solo entities Admiral Insurance Company Limited (AICL) and Admiral Insurance (Gibraltar) Limited (AIGL) in this Group SFCR. The waiver was obtained as the nature of the Group's governance structure, with the Group Board and its Committees leading the Group's management and control framework, means that there is significant overlap in the disclosures for the Group and the solo entities. The Group SFCR waiver therefore allows stakeholders to access concise disclosures for all relevant entities in one report.

As part of the Group restructuring following the Brexit vote, the Group has established an insurance entity in Spain; Admiral Europe Compañía de Seguros, S.A. (AECS), to underwrite the Group's European business. AECS is subject to the supervision of the Dirección General de Seguros y Fondos de Pensiones (DGSFP) in Spain. AECS is excluded from the qualitative and quantitative disclosures in Sections A to E as it has prepared a separate 2019 SFCR in line with the requirements of the DGSFP. This report may be found at:

https://www.admiraleurope.com/wp-content/uploads/2020/05/Informe-AECS-SCFR-DGS-2019.pdf

All amounts in this report are presented in pounds sterling, rounded to the nearest £0.1 million, which is the Group's presentation currency. Unless otherwise stated, information in this report is unaudited.

Summary

Section A – Business Performance

Admiral Group plc ('the Group') is one of the UK's largest car insurance providers. In addition to offering car insurance in the UK, the Group also writes household, van and travel insurance business in the UK, and car insurance in four countries outside of the UK: Italy, Spain, France and the USA. Other Group businesses outside of insurance include Price Comparison businesses, a legal company and a personal lending and car finance business in the UK.

The Group and its Solvency II regulated solo entities in the UK and Gibraltar, AICL and AIGL, recorded statutory post-tax profits of £428.4 million, £31.1 million and £122.3 million respectively in 2019. Portfolio transfers of liabilities and associated assets of the Group's European businesses from AICL and AIGL to AECS were enacted on 1 January 2019, and all new European insurance business is underwritten in AECS with effect from this date.

The table below splits the statutory results between underwriting (as reported in the premiums, claims and expenses QRTs in Appendix 3 to this report), investment and other activities:

	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
A.2 Net Underwriting Results	224.7	196.7	28.2	27.0	196.5	182.4
A.3 Net Investment	35.3	36.6	4.9	3.9	25.3	28.5
A.4 Net Result Arising from Other Activities (Including Profit Commissions)	262.6	242.9	5.3	6.2	(88.7)	(85.8)
Statutory Profit Before Tax	**522.6**	**476.2**	**38.4**	**37.1**	**133.1**	**125.1**
Taxation expense	(94.2)	(85.7)	(7.3)	(7.3)	(10.8)	(9.6)
Statutory Profit After Tax	**428.4**	**390.5**	**31.1**	**29.8**	**122.3**	**115.5**

Change in UK personal injury discount rate assumption ('Ogden discount rate')

During 2019, following the announcement by the UK Government, the Ogden discount rate which is used in setting personal injury compensation, was changed to minus 0.25% from the existing minus 0.75% rate that had been in place since February 2017. The change came into effect on 5 August 2019 and the minus 0.25% rate is likely to remain in place for up to five years.

Admiral assumed a 0% rate in setting best estimate claims reserves at 31 December 2018 and 2018's pre-tax profit was positively impacted by £66 million as a result of the move from minus 0.75%. As a result of the actual rate being 25 basis points lower than the assumed 0%, 2019's profit before tax is adversely impacted by around £33 million. That means that the underlying profit before tax move is bigger than the £47 million in the table above, though the changes in the Ogden rate during the period make meaningful comparison difficult.

SECTION B – SYSTEM OF GOVERNANCE

Section B to this report focuses on the Group's system of Governance. The Group Board is the principal decision-making forum for the Group providing entrepreneurial leadership, both directly through its Committees, and delegating authority to the Executive team. The solo entities AICL and AIGL have respective individual Board meetings that act in the same manner as the Group Board. The Group Board and its Committees also have oversight of AICL and AIGL.

The Board has delegated authority to a number of permanent Committees to deal with matters in accordance with written Terms of Reference. The principal Committees of the Group Board - Audit, Remuneration, Risk and Nomination all comply fully with the requirements of the Corporate Governance Code.

Governance has been a key area of focus for the Board during 2019, given the changes to the corporate governance landscape brought about by the introduction in July 2018 of the revised UK Corporate Governance Code which applies to the Group with effect from 1 January 2019. In order to ensure that the Board was fully prepared for the changes set out in the revised Code, a project was initiated, led by the Company Secretary, which included scheduling presentations, updates and training for the Board throughout the year to ensure that the Group's governance framework and standards of good corporate governance were aligned with the requirements set out in the Code

Section B reports in detail as to how the system of governance works in practice, including a focus on the Group's remuneration policy, the system of internal control and the Solvency II key functions of Risk Management, Compliance, Internal Audit and Actuarial.

SECTION C – RISK PROFILE

The Admiral Group Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The Board has delegated the development, implementation and maintenance of the Group's risk management framework to the Group Risk Committee, which reports its activities to both the Board and also to the Group Audit Committee, for the purposes of reviewing and reporting on the overall effectiveness of this system.

Section C provides further detail of the Group's approach to risk assessment and risk management. It also provides information on the Group's material risks, as shown by the Solvency Capital Requirement (SCR) sub-modules of the Group and its solo entities in the table below.

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
Market Risk	135.3	86.7	14.6	23.3	72.1	60.6
Counterparty Risk	50.6	37.6	15.0	3.2	17.0	21.1
Life Underwriting Risk	5.0	3.1	0.7	0.5	4.3	2.7
Non-Life Underwriting Risk	397.3	378.3	74.0	81.8	246.9	243.3
Diversification	(109.0)	(76.2)	(16.6)	(16.6)	(56.8)	(50.9)
Basic SCR	**479.2**	**429.5**	**87.7**	**92.2**	**283.5**	**276.8**
Operational Risk	90.0	85.0	7.5	12.4	66.7	69.4
Loss absorbing capacity of deferred taxes	(19.9)	(24.3)	(11.5)	(13.5)	(8.4)	(10.6)
SCR excluding Capital Add-On and Other Financial Sectors	**549.3**	**490.2**	**83.7**	**91.1**	**341.8**	**335.6**
Capital Add-On	81.0	81.0	-	-	-	-
SCR for Other Financial Sectors (unaudited)	29.6	20.6	-	-	-	-
SCR	**659.9**	**591.8**	**83.7**	**91.1**	**341.8**	**335.6**

As can be noted from the table, the material risk category for the Group, AICL and AIGL is non-life insurance risk which (before diversification with other risk types) represents 61%, 89% and 73% of the SCRs of the Group and its solo entities, AICL and AIGL respectively.

SECTION D – VALUATION FOR SOLVENCY PURPOSES

Section D focuses on the Solvency II balance sheet and the valuation of assets and liabilities. In line with Solvency II rules, assets and liabilities on the Solvency II balance sheet are held at fair value, i.e. the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

Summary Solvency II balance sheets for the Group and its regulated solo entities are shown in the table below. Section D sets out the recognition and valuation basis for each material balance sheet class alongside a comparison to the IFRS valuation basis, in addition to further detail on the bases, methods and assumptions used in the calculation of the Solvency II technical provisions.

Solvency II Balance Sheet, 31-Dec-19	GROUP	AICL	AIGL
Property, plant and equipment	147.1	-	-
Investments excl. Participations	3,222.4	309.6	2,333.1
Investment in Participations	72.7	-	-
Loans and Mortgages	185.2	-	150.6
Reinsurance recoverables	1,653.3	28.6	1,285.3
Deferred tax assets	-	-	0.6
Receivables and other assets	414.9	88.5	84.1
Cash	189.2	10.2	13.0
Total Assets	**5,884.8**	**436.9**	**3,866.7**
Technical Provisions - best estimate	3,056.2	258.5	2,272.3
Technical Provisions - risk margin	86.1	14.4	68.2
Deposits from reinsurers	793.6	2.1	831.5
Deferred tax liabilities	63.2	6.0	0.0
Other payables and liabilities	539.6	24.0	177.6
Subordinated liabilities	225.1	-	-
Total Liabilities	**4,763.8**	**305.0**	**3,349.6**
Excess of Assets over Liabilities	**1,121.0**	**131.9**	**517.1**

Section E – Capital Management

The Group manages its capital to ensure that all entities within the Group are able to continue as going concerns and also to ensure that regulated entities meet regulatory requirements with an appropriate margin. Excess capital above these levels within subsidiaries is paid up to the Group holding company in the form of dividends on a regular basis.

The Group and its regulated solo entities report strong solvency positions at 31 December 2019. The solvency positions reported in the Annual QRTs for 2019 and 2018 are summarised in the table below:

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
SCR	659.9	591.8	83.7	91.1	341.8	335.6
Eligible Own Funds	1,119.5	1,008.8	111.9	155.3	527.1	477.6
Surplus	459.6	417.0	28.2	64.2	185.3	142.0
Solvency Ratio	**170%**	**170%**	**134%**	**170%**	**154%**	**142%**

A reconciliation of excess of assets over liabilities to Own Funds is provided below:

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
Excess of Assets over Liabilities	**1,121.0**	**997.5**	**131.9**	**155.3**	**517.1**	**417.6**
Foreseeable Dividends	(221.5)	(187.9)	(20.0)	-	(50.0)	-
Other Non-Available Own Funds	(7.3)	(12.3)	-	-	-	-
Own Funds from Other Financial Sectors	2.2	0.2	-	-	-	-
Excess of Assets over Liabilities (Tier 1)	**894.4**	**797.5**	**111.9**	**155.3**	**467.1**	**417.6**
Subordinated Liabilities (Tier 2)	225.1	211.3	-	-	-	-
Ancillary Own Funds	-	-	-	-	60.0	60.0
Eligible Own Funds	**1,119.5**	**1,008.8**	**111.9**	**155.3**	**527.1**	**477.6**

SCR for Other Financial Sectors (unaudited)

The SCR for Other Financial Sectors relates to the loans business carried out by Admiral Financial Services Limited (AFSL).

AFSL is recognised at net asset value, as a non-regulated undertaking carrying out financial activities within Other Financial Sectors. This forms part of the reconciliation from Excess of Assets over Liabilities to Own Funds.

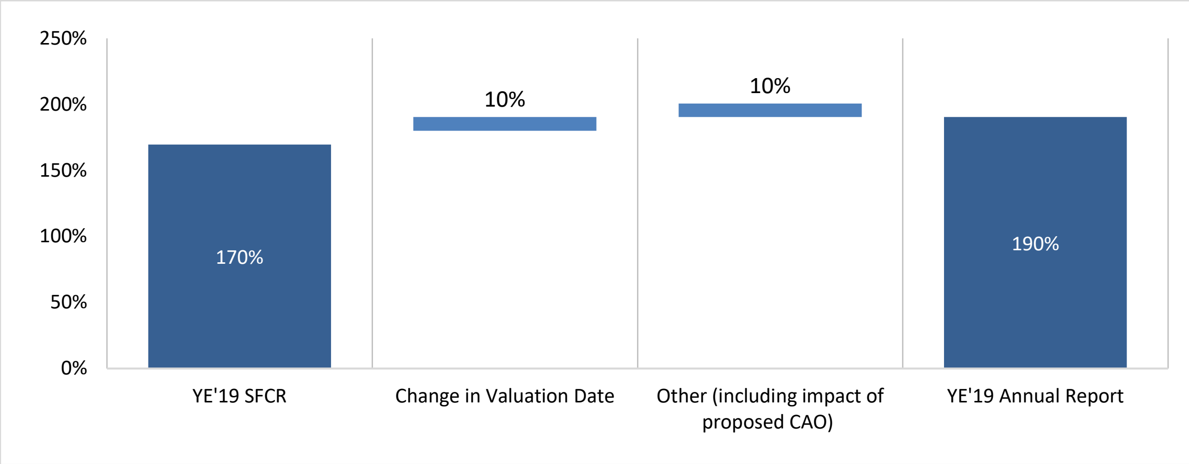
Article 1(52) of the Delegated Regulation defines a ‘non-regulated undertaking carrying out financial activities’ as a non-regulated undertaking which carries out one or more of the activities referred to in Annex I of Directive 2013/36/EU. The contribution to the Group capital requirement is based on relevant sectoral rules and the Group has included a notional capital requirement of £29.6 million at 31 December 2019 to reflect the risks associated with the loans business.

Reconciliation to previously reported Solvency Ratio

The Group solvency ratio presented in this report is different to the solvency ratio reported in the Group’s 2019 Annual Report for the following reasons:

- Change in valuation date: The solvency ratio in the Annual Report is prepared at a different valuation date, taking into consideration the additional own funds generated post year end, up to the approved dividend payment date;
- Other (including impact of proposed Capital Add-On, ‘CAO’): A different CAO is used, with the proposed add-on reported in the 2019 Annual Report remaining subject to regulatory approval and therefore excluded from the SFCR solvency calculations. The Annual Report solvency ratio also excludes the impact of changes made arising from the reporting finalisation process.

The chart below shows the impact of these moves:



ADDITIONAL INFORMATION ON THE COVID-19 GLOBAL PANDEMIC

The outbreak of the COVID-19 global pandemic has resulted in significant global uncertainty and market volatility. Appendix 1 to this report sets out the potential impacts on the Group's businesses, system of governance, risk profile, valuation for solvency purposes and capital management.

As the pandemic continues to evolve , the Group continues to closely monitor the impacts on, amongst other areas, its operations, underwriting, risk profile, and solvency and liquidity positions. Ongoing assessments on a range of potential scenarios are being performed across the Group's businesses, including the impact of severe downside scenarios that assume prolonged periods of lockdown and the impact of severe economic and trading stresses.

Whilst the Group has to date experienced some impacts from the pandemic and associated market volatility, it maintains a strong solvency position that is able to withstand a range of severe but plausible stresses. Section C to this report includes solvency ratio sensitivities to risks, as reported in the 2019 Group Annual Report, and the Group considers these sensitivities to be a reasonable guide to the impacts of the market volatility observed to date.

In April 2020, the Group announced that, despite maintaining a strong solvency and liquidity position, given the current economic uncertainty and the call for heightened prudence from regulators, it had amended its recommendation to shareholders with respect to the Group's final dividend for the year ended 31 December 2019. The normal dividend of 56.3 pence was unchanged (and subsequently approved by shareholders at the Group's AGM on 30 April 2020 and paid on 1 June 2020) but the special dividend of 20.7 pence per share was suspended. The Board currently intends to pay this part of the final dividend later in the year unless there is a significant deterioration in the Group's financial position, trading or outlook. The full final dividend of 77.0 pence per share (£221.5 million) is recognised as foreseeable at 31 December 2019 and is deducted from the Group's Own Funds. Excluding the special dividend of 20.7 pence per share (£60 million), the Group's solvency ratio at 31 December 2019 would have been 9pts higher at 179% as follows.

31-Dec-19	Group
SCR	659.9
Eligible Own Funds adjusted for exclusion of H2’19 special dividend	1,179.5
Surplus	519.6
Adjusted Solvency Ratio	**179%**

The figures in this report and the associated Quantitative Reporting Templates (QRTs) reflect conditions and best estimate assumptions as at the 31 December 2019 reporting date and have not been adjusted for the impacts of COVID-19, which is considered to be a non-adjusting post balance sheet event. This approach includes the technical provisions, meaning that there are no material differences listed between solvency II and the financial statements prepared as at 31 December 2019.

Statement of Directors' Responsibilities

The Directors are responsible for ensuring that the SFCR is properly prepared in all material respects in accordance with the Prudential Regulatory Authority (PRA) rules and SII Regulations.

The PRA Rulebook for SII firms in Rule 6.1(2) and Rule 6.2(1) of the Reporting Part requires that the Group must have in place a written policy ensuring the ongoing appropriateness of any information disclosed and that the Group must ensure that its SFCR is subject to approval by the Directors.

The Board of Directors confirm that, to the best of their knowledge:

(a) Throughout the financial year in question, the Group and its solo insurance undertakings have complied in all material respects with the requirements of the PRA rules and SII Regulations as applicable; and

(b) It is reasonable to believe that, at the date of the publication of the SFCR, the Group and its solo insurance undertakings continue to comply, and will continue so to comply in future.

By Order of the Board

Geraint Jones
Chief Financial Officer
24 June 2020

AUDIT OPINION

REPORT OF THE EXTERNAL INDEPENDENT AUDITOR TO THE DIRECTORS OF ADMIRAL GROUP PLC ('THE GROUP') PURSUANT TO RULE 4.1 (2) OF THE EXTERNAL AUDIT CHAPTER OF THE PRA RULEBOOK APPLICABLE TO SOLVENCY II FIRMS

Report on the Audit of the relevant elements of the Solvency and Financial Condition Report ("SFCR")

Opinion

Except as stated below, we have audited the following documents prepared by the Group as at 31 December 2019:

- The 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Group SFCR of the Group as at 31 December 2019, ('the Narrative Disclosures subject to audit');
- Group templates S.02.01.02, S.22.01.22, S.23.01.22, S.25.01.22 and S.32.01.22 ('the Group Templates subject to audit');
- Solo templates S.02.01.02, S.12.01.02, S.17.01.02, S.22.01.21, S.23.01.01, S.25.01.21 and S.28.01.01 in respect of Admiral Insurance (Gibraltar) Limited ('the Solo Templates subject to audit'); and
- Solo templates S.02.01.02, S.12.01.02, S.17.01.02, S.22.01.21, S.23.01.01, S.25.01.21 and S.28.01.01 in respect of Admiral Insurance Company Limited ('the Solo Templates subject to audit').

The Narrative Disclosures subject to audit and the Group Templates and Solo Templates subject to audit are collectively referred to as the 'relevant elements of the Group SFCR**'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- the 'Executive Summary', 'Business and Performance', 'System of Governance' and 'Risk Profile' elements of the Group SFCR;
- Group templates S.05.01.02, and S.05.02.01;
- Solo templates S.05.01.02, S.05.02.01, and S.19.01.21;
- the written acknowledgement by management of their responsibilities, including for the preparation of the Group SFCR ('the Responsibility Statement');
- Information which pertains to an undertaking that is not a Solvency II undertaking and has been prepared in accordance with PRA rules other than those implementing the Solvency II Directive or in accordance with an EU instrument other than the Solvency II regulations ('the sectoral information'); and
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

To the extent the information subject to audit in the relevant elements of the Group SFCR includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group SFCR as at 31 December 2019 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Group SFCR in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for Solvency Purposes' section of the Group SFCR, which describes the basis of accounting. The Group SFCR is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. The Group SFCR is required to be published, and intended users include, but are not limited to, the PRA. As a result, the Group SFCR may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in the preparation of the Group SFCR is not appropriate; or
- the Directors have not disclosed in the Group SFCR any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Group SFCR is authorised for issue.

We have nothing to report in relation to these matters.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group SFCR does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Group SFCR, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Group SFCR, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Group SFCR or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in relation to these matters.

Responsibilities of Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group SFCR in accordance with the financial reporting provisions of the PRA rules and Solvency II regulations which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA, the PRA Rules and Solvency II regulations on which they are based.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group SFCR that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group SFCR are prepared, in all material respects, with financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group SFCR are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Group SFCR.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at https://www.frc.org.uk/auditorsresponsibilities. The same responsibilities apply to the audit of the Group SFCR.

Report on Other Legal and Regulatory Requirements

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Chapter of the PRA Rulebook, the sectoral information has been properly compiled in accordance with the PRA rules and EU instruments relating to that undertaking from information provided by members of the group and the relevant insurance group undertaking.

Other Information

In accordance with Rule 4.1 (3) of the External Audit Chapter of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of Admiral Group Plc's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in relation to this matter.

Use of our Report

This report is made solely to the Directors of Admiral Group Plc in accordance with Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook for Solvency II firms. We acknowledge that our report will be provided to the PRA for the use of the PRA solely for the purposes set down by statute and the PRA's rules. Our audit work has been undertaken so that we might state to the insurer's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Group SFCR and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the PRA, for our audit work, for this report or for the opinions we have formed.

Mark McQueen

Mark McQueen (*Senior Statutory Auditor*)

For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
24 June 2020

A. Business and Performance

A.1. Business

General Information

Admiral Group plc ('the Group') is one of the UK's largest car insurance providers. In addition to offering car insurance in the UK, the Group also writes household, van and travel business in the UK, and car insurance in four countries outside of the UK: Italy, Spain, France and the USA.

Outside of insurance, the Group has price comparison businesses in the UK, Spain, France and the USA, with the UK price comparison business, Confused.com, being one of the UK's leading comparison websites for the last 17 years. The Group also has a law firm, Admiral Law Limited and provides unsecured personal loans and car finance in the UK through Admiral Financial Services Limited.

The Group is a company incorporated in the United Kingdom. Its registered office is at Tŷ Admiral, David Street, Cardiff CF10 2EH and its shares are listed on the London Stock Exchange.

The Group and its UK regulated insurance entity, Admiral Insurance Company Limited is subject to supervision by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) in the UK. The contact details for these supervisory authorities are as follows:

	PRA	FCA
Name	Prudential Regulation Authority	Financial Conduct Authority
Address	Bank of England 20 Moorgate London EC2R 6DA	12 Endeavour Square London E20 1JN

Where relevant, Group subsidiaries outside of the UK are subject to financial supervision by the local supervisory authority.

The Group's insurance entity registered in Gibraltar, Admiral Insurance (Gibraltar) Limited 'AIGL' is subject to Solvency II regulation and is supervised by the Gibraltar Financial Services Commission. The contact details for this supervisory authority are as follows:

	GFSC
Name	Gibraltar Financial Services Commission
Address	PO Box 940 Suite 3, Ground Floor Atlantic Suites Europort Avenue GX11-1AA Gibraltar

During 2019 the Group established and received regulatory permissions for an insurance entity in Spain; Admiral Europe Compañía de Seguros, S.A. (AECS) to underwrite the Group's European business after Brexit. Portfolio transfers of liabilities and associated assets of the Group's European businesses from AICL and AIGL to AECS were enacted on 1 January 2019, and all new European insurance business was underwritten in AECS with effect from this date.

AECS is subject to the supervision of the Dirección General de Seguros y Fondos de Pensiones (DGSFP) in Spain. It has prepared a separate 2019 Solvency and Financial Condition Report in line with the requirements of the DGSFP.

The contact details for this supervisory authority are as follows:

	DGSFP
Name	Dirección General de Seguros y Fondos de Pensiones
Address	Paseo de la Castellana, 44. 28046 Madrid

The Group's US insurer, Elephant Insurance Company, is not subject to Solvency II regulation. The contact details for its supervisory authority are as follows:

	VA BOI
Name	Virginia State Corporation Commission Bureau of Insurance
Address	1300 E. Main Street Richmond Virginia 23219

Details of the Group's auditor are as follows:

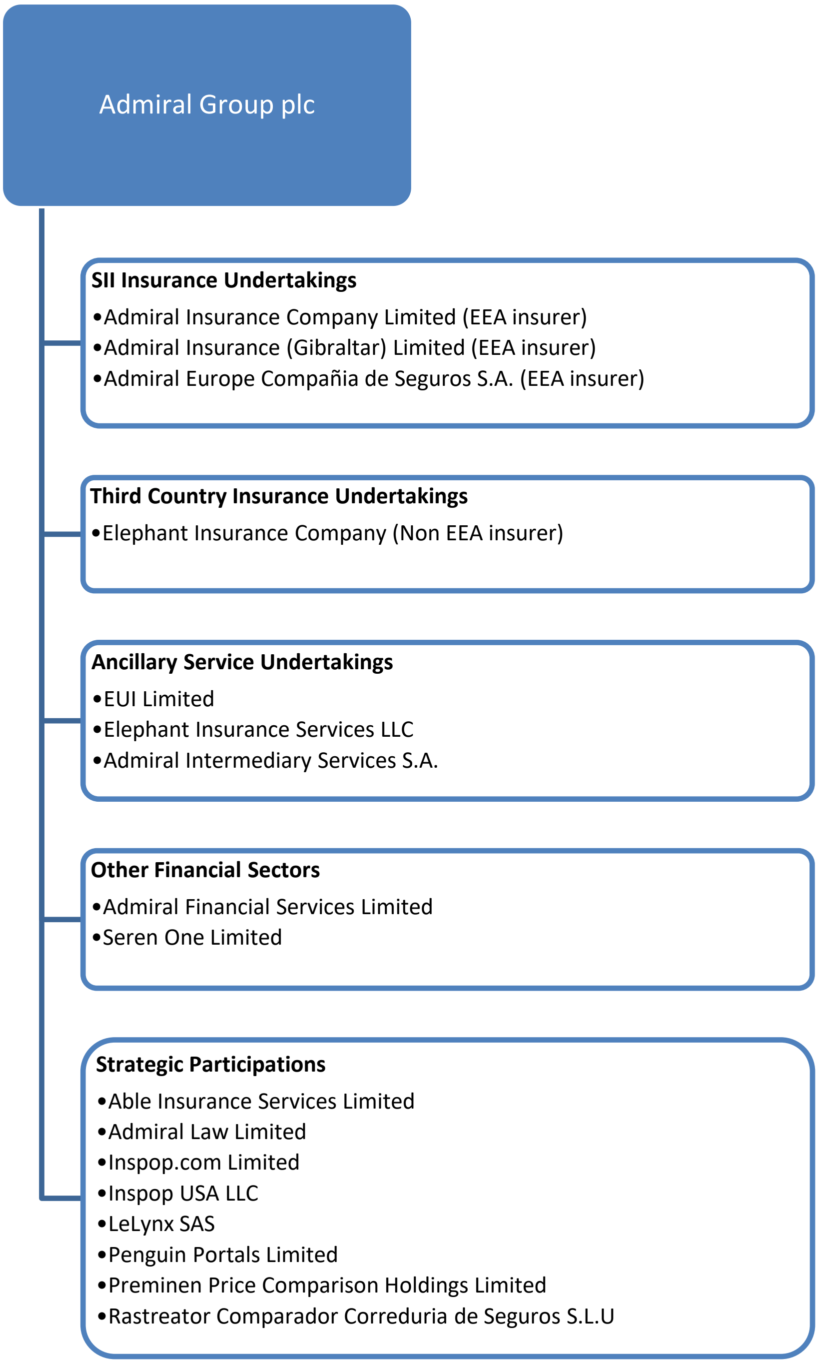
	Deloitte
Name	Deloitte LLP
Address	1 New Street Square London EC4A 3HQ

As noted above, the Group is listed on the London Stock Exchange. At 31 December 2019, the Company's issued share capital comprised a single class of shares referred to as ordinary shares. Details of the share capital and shares issued during the year can be found in the Group's 2019 Annual Report (note 12d to the Group financial statements). Major shareholders as at 31 December 2019 were as follows:

Major shareholders	% Shareholding at 31-Dec-19
Munich Re	10.2%
Henry Engelhardt & Diane Briere de l'Isle	9.6%

Group Structure

The chart below shows the major subsidiaries of the Group's Parent Company, grouped by Solvency II classification. For further details of the subsidiary undertakings, country of incorporation and class of shares held by the parent company refer to the Group's 2019 Annual Report (note 12f to the Group financial statements).



The Group's major activities are summarised in the following sections:

Insurance Undertakings (SII and Third Country undertakings)

At 31 December 2019, the Group had insurance businesses in five geographical locations: the UK, Italy, Spain, France and the USA. As noted above, three of the Group's insurance undertakings (AICL, AIGL and AECS) are SII insurers whilst the fourth, Elephant Insurance Company (EIC), is registered in the USA and therefore classified as a Third Country undertaking.

The table below summarises the Group's material Solvency II lines of business:

Motor Vehicle Liability	Private motor insurance, capturing bodily injury liabilities (including liabilities that may potentially settle by way of Periodic Payment Order in the future) and third-party property damage.
Motor Vehicle Other	Private motor insurance, capturing accident damage liabilities (including fire, theft and windscreen liabilities).
Fire and damage to other property	Household insurance, capturing accidental damage, escape of water, fire, weather and subsidence liabilities.
General Liability	Household insurance capturing public liability risks.
Assistance and Miscellaneous Financial Loss	Any other risks arising from insurance products that supplement the core private motor and household insurance products.
Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Private motor insurance liabilities arising through claims settled as Periodic Payment Orders. The Group has no non-life insurance contracts relating to health insurance obligations.

Ancillary Services Undertakings

The Group's insurance intermediaries are classified as Ancillary Services Undertakings for Solvency II purposes. These entities are non-regulated (as per the definition in Article 2(4) of Directive 2002) with principal activities that are deemed to be ancillary to the Group's insurance undertakings. The most material entity is EUI Limited which provides intermediary services for insurance underwriting in the UK.

Other Financial Sectors

The Group's loans business, Admiral Financial Services Limited (AFSL) is classified as a non-regulated entity carrying out financial activities within Own Funds of Other Financial Sectors. It provides unsecured personal loans and car finance in the UK.

Seren One Limited is a Special Purpose Entity (SPE) set up by the Group in relation to the Admiral Loans business, whereby the Group has securitised certain loans by the transfer of the loans to the SPE. The securitisation enables a subsequent issuance of debt by the SPE to investors who gain the security of the underlying assets as collateral.

Strategic Participations

All other entities in the Group are classified as Strategic Participations. The principal activity is Price Comparison, where Admiral's strategy is to develop websites that allow consumers to compare a range of general insurance, financial services and other products. During the year the Group established Penguin Portals Limited as the holding company for all its price comparison businesses.

The Group's UK price comparison site, branded as Confused.com (Inspop.com Limited) was launched in 2002 and is one of the UK's leading comparison websites. International price comparison operations in Europe (Rastreator.com in Spain and Lelynx.fr in France) and in the USA (compare.com) have subsequently been launched in 2009, 2010 and 2013 respectively. More recently, the Group has established Preminen, a Price Comparison incubator that looks to establish price comparison businesses in a number of new markets around the world.

The Group's UK based law firm, Admiral Law, provides a range of legal services, with the company's legal experts primarily specialising in road traffic accident claims. Able Insurance Services Limited is a public liability insurance broker.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Change in UK discount rate ('Ogden discount rate')

On 15th July 2019, the Lord Chancellor announced that the new Personal Injury Discount Rate was to be set at minus 0.25%, following a consultation process and as set out within the Civil Liability Act 2018. The change came into effect on 5th August 2019 and the minus 0.25% rate is likely to remain in place for the next five years. The minus 0.25% rate is applicable in England and Wales, whilst the minus 0.75% rate remains in effect in Scotland.

The Ogden discount rate is used for adjusting the value of lump sum personal injury compensation, according to the amount the victims of serious personal injury can expect to earn by investing it. The lower the rate, the higher the compensation awarded and the greater the cost to compensators.

Following the announcement by the UK Government, the Ogden discount rate which is used in setting personal injury compensation, was changed to minus 0.25% from the existing minus 0.75% rate that had been in place since February 2017.

The minus 0.25% rate is 25 basis points lower than the assumed rate of 0% that was used in setting best estimate claims reserves at 31 December 2018.

UK Exit from the European Union ('Brexit')

Admiral has adopted a prudent approach in relation to Brexit, designed to mitigate the risks to our European businesses of a potential 'hard Brexit', which could have prevented those operations from continuing to trade due to reliance on passporting rights.

The businesses that potentially would have been impacted, being the European insurers and European price comparison businesses, have been restructured so as to fully mitigate a 'no deal' outcome.

This has been achieved for the European insurance intermediaries through Admiral receiving approval to establish an intermediary company in Spain, Admiral Intermediary Services, S.A. (AIS). All of the trade and assets of the Spanish and Italian branches of UK-based EUI Limited have been transferred to AIS from 1 January 2019. The assets and liabilities of EUI France, EUI Limited's subsidiary, have been transferred to AIS via a cross border merger process such that, as of 1 January 2019, EUI France is fully liquidated.

Admiral also received approval for an application to establish an insurance company in Spain and from 1 January 2019 all of the Group's European insurance business is underwritten by a regulated entity in Spain, Admiral Europe Compañía de Seguros, S.A. (AECS). All existing liabilities, assets and contracts relating to these businesses have been transferred through portfolio transfer processes under Part VII of the Financial Services and Markets Act 2000, also effective from 1 January 2019.

In addition, the Group's European price comparison businesses Rastreator and LeLynx have successfully been merged into price comparison companies established in Spain (Comparaseguros Corredia de Seguros) and France (LeLynx SAS) respectively.

AIGL, the Group's Gibraltar insurance entity, will be able to continue to carry on trading in an uninterrupted manner after Brexit as a result of the passing of relevant legislation by the UK and Gibraltar governments. In March 2018, at the Joint Ministerial Council with the government of Gibraltar, the UK government announced that Gibraltar's authorised financial services firms will continue to be able to access the UK as they currently do until 31 December 2020 in a no-deal scenario, with the UK and Gibraltar working together to agree a longer term relationship to access to each other's markets.

In addition, to support market access between the UK and Gibraltar, HM Treasury has published two Statutory Instruments (SIs): The Financial Services (Gibraltar) (Amendment) (EU Exit) Regulations 2019 and The Gibraltar (Miscellaneous Amendments) (EU Exit) Regulations 2019. The first relates to the continuation of the deemed passport rights of Gibraltar-based firms into the UK. The second preserves the overall pre-Brexit regulatory position, notwithstanding the legislative changes made under the EUWA.

COVID-19 global pandemic

The outbreak of the COVID-19 global pandemic has resulted in significant global uncertainty and market volatility. Appendix 1 to this report sets out the potential impacts on the Group's businesses, system of governance, risk profile, valuation for solvency purposes and capital management.

The figures in this report and the associated QRTs reflect conditions and best estimate assumptions as at the 31 December 2019 reporting date and have not been adjusted for the impacts of COVID-19, which is considered to be a non-adjusting post balance sheet event.

A.2. UNDERWRITING PERFORMANCE

The tables below show the Group's underwriting performance (premiums, claims and expenses in line with QRTs S.05.01 and S.05.02) summarised by Solvency II line of business and by geographical location. The tables are prepared on a financial statement basis and are reconciled to the Group statutory profit in Section A.4 below. Total Group net premiums earned of £709.4 million (which does not form part of the profit reconciliation in Section A.4) can be agreed to note 5 of the Group Financial statements within the 2019 Annual Report.

31-Dec-19	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
Motor Vehicle Liability	486.5	472.6	(226.2)	(115.7)		**130.7**
Motor Vehicle Other	159.5	156.1	(61.0)	(31.7)		**63.4**
Fire and damage to other property	40.3	36.5	(25.2)	(10.6)		**0.7**
General Liability	0.8	0.7	(0.5)	(0.2)		**0.0**
Assistance and Miscellaneous Financial Loss	45.2	43.5	(24.3)	(6.2)		**13.0**
Annuities stemming from non-life insurance contracts (Life)	-	-	(1.6)	(0.9)		**(2.5)**
Total 2019	**732.3**	**709.4**	**(338.8)**	**(165.3)**	**19.4**	**224.7**

**1 Other expenses represent intra-group price comparison expenses that are eliminated for the purposes of the Group financial statements.*

The following table shows the comparative underwriting performance for 2018:

31-Dec-18	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
Motor Vehicle Liability	437.4	420.5	(200.1)	(96.5)		**123.9**
Motor Vehicle Other	179.3	173.8	(79.5)	(41.7)		**52.6**
Fire and damage to other property	34.5	30.9	(28.5)	(4.9)		**(2.5)**
General Liability	0.4	0.3	(0.2)	(0.1)		-
Assistance and Miscellaneous Financial Loss	51.2	46.3	(27.6)	(8.2)		**10.5**
Annuities stemming from non-life insurance contracts (Life)	-	-	(6.8)	(0.3)		**(7.1)**
Total 2018	**702.4**	**671.8**	**(342.7)**	**(151.7)**	**19.3**	**196.7**

Analysis by Line of Business

The first table above shows that the Group achieved an underwriting profit of £224.7 million in 2019, an increase of £28.0 million from 2018 (£196.7 million). The tables provide a split of underwriting profit by Solvency II line of business.

As noted on the QRTs in Appendix 3 it should be noted that premiums, claims and expenses within Group insurance businesses are not typically allocated to these individual lines of business for the purposes of internal or external reporting and so therefore simplifications have been utilised to make this allocation for the purposes of QRT disclosure. One such assumption is that the 'Annuities stemming from non-life insurance contracts' (Periodic Payment Orders 'PPOs') line of business does not attract premiums and therefore a loss totalling allocated claims and expenses is reported.

The split of underwriting profit by line of business shows that the motor insurance lines of business (motor vehicle liability, motor vehicle other and Life (relating to PPOs)) report a combined profit of £191.6 million.

The Fire and Damage to Property and General Liability lines can be attributed to the UK Household business. A total underwriting profit of £0.7 million is reported.

Finally, the Assistance and Miscellaneous Financial Loss lines of business primarily relate to the ancillary products underwritten by the Group, and contribute an underwriting profit of £13.0 million.

Analysis by Geographical Location

31-Dec-19	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
UK	548.4	533.2	(202.9)	(103.4)		**226.9**
USA	73.5	73.4	(60.4)	(29.3)		**(16.3)**
Italy	69.6	65.2	(45.2)	(16.4)		**3.6**
Spain	17.2	16.3	(12.7)	(8.1)		**(4.5)**
France	23.6	21.3	(17.6)	(8.1)		**(4.4)**
Total	**732.3**	**709.4**	**(338.8)**	**(165.3)**	**19.4**	**224.7**

**1 Other expenses represent intra-group price comparison expenses that are eliminated for the purposes of the Group financial statements.*

The table above analyses the Group underwriting performance by geographical location. The UK Insurance business generates over 100% of the Group underwriting profit (£226.9 million), with the Group's International businesses in total contributing an underwriting loss of £21.6 million (all before elimination of intra-group price comparison expenses).

The underwriting performance analysis excludes other revenue generated from the sale of additional products alongside the core motor insurance policy. Therefore, the combined international underwriting loss is different to the International Car Insurance segment loss of £0.9 million reported in note 4 to the Group financial statements in the Group's 2019 Annual Report.

Other revenue generated by the UK and International businesses is reported within Section A.4 below (Performance of Other Activities).

Solo Entity Premiums, Claims and Expenses

31-Dec-19	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses	Total 2019
AICL	148.1	145.7	(88.0)	(29.5)		**28.2**
AIGL	400.3	387.6	(114.9)	(76.2)		**196.5**

31-Dec-18	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses	Total 2018
AICL	190.7	186.6	(125.7)	(33.9)		**27.0**
AIGL	442.0	424.1	(169.6)	(72.1)		**182.4**

As detailed in the QRTs in Appendix 3 to this report, total non-life and life premiums, claims for the Group's two SII solo entities AICL and AIGL are shown in the table above. Both entities report an underwriting profit, with the more material underwriting profits in AIGL reflecting its higher net share of UK motor insurance and profits generated by the motor policy upgrade products.

A.3. INVESTMENT PERFORMANCE

The tables below show a breakdown of investment income by type for both 2019 and 2018:

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
Investment return on assets classified as FVTPL	11.4	6.5	0.8	1.4	9.2	4.9
Unrealised losses on forward contracts	(0.1)	(2.3)	-	-	-	-
Investment return on debt securities classified as FVOCI	34.5	28.0	3.7	2.2	25.4	20.8
Investment return on deposits with credit institutions	1.6	3.1	0.4	0.5	1.0	2.2
Notional accrual for reinsurer's share of investment accrual	(12.9)	-	-	-	(12.9)	-
Interest receivable on cash and cash equivalents	0.8	1.3	-	(0.2)	2.6	0.6
Total	**35.3**	**36.6**	**4.9**	**3.9**	**25.3**	**28.5**

Group Investment and interest income in 2019 was £35.3 million. The underlying rate of return for the year (excluding accruals related to reinsurance contract funds withheld) on the Group's cash and investments was 1.4% (2018: 1.2%).

The notional investment accrual relates to the majority of AIGL's quota share reinsurance contracts, which operate on a funds withheld basis. Investment income earned on the funds withheld is accrued and only released once the ultimate outcome for the relevant underwriting year is profitable. The accrual made in 2019 relates to the 2019 underwriting year.

In addition to the investment income recognised in the IFRS income statement, the Group also recorded a gain of £33.1 million (2018: gain of £22.9 million) in the Fair Value reserve within Equity as a result of unrealised gains arising on the valuation of 'Available for Sale' financial assets.

Investment income in the solo entities was £4.9 million and £25.3 million for AICL and AIGL respectively.

A.4. PERFORMANCE OF OTHER ACTIVITIES

The table below summarises revenue and expenses from other activities and also provides a reconciliation of the information in Sections A.2, A.3 and A.4 to the statutory profit as per the Financial Statements of the Group and solo entities.

	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
Net Underwriting Results as per Section A.2	224.7	196.7	28.2	27.0	196.5	182.4
Net Investment Result as per Section A.3	35.3	36.6	4.9	3.9	25.3	28.5
Other Activities:						
Other Revenue	489.2	479.3	6.3	6.2	62.9	53.1
Profit Commission	114.9	93.2	-	-	(147.9)	(137.9)
Other Net Costs	(328.9)	(318.3)	(1.0)	-	(3.7)	(0.9)
Finance Costs	(12.6)	(11.3)	-	-	-	-
Statutory Profit Before Tax	**522.6**	**476.2**	**38.4**	**37.1**	**133.1**	**125.1**
Taxation expense	(94.2)	(85.7)	(7.3)	(7.3)	(10.8)	(9.6)
Statutory Profit After Tax	**428.4**	**390.5**	**31.1**	**29.8**	**122.3**	**115.5**

Outside of underwriting and investment activities, the Group's other activities performed strongly during 2019 with strong growth in net contribution from other revenue and associated costs. The material financial statement line items are discussed individually below:

Other revenue

The two primary sources are:

i. Contribution from additional products and fees, including revenues earned on the sale of products supplementing the core insurance policies, administration and other charges paid by policyholders, referral fees, revenues from policies paid by instalments and vehicle commission charges paid by reinsurers and co-insurers. This increased in 2019 primarily as a result of growth in the policy base of the UK motor insurance business.

ii. Price comparison revenue from the Group's UK and overseas price comparison businesses, with Confused.com in the UK being the main contributor.

Profit Commission

Profit commission receivable from co-insurers and reinsurers in 2019 was £114.9 million at Group level. AIGL reports negative profit commission of £147.9 million as intra-group profit commission payable more than offsets profit commission receivable from quota share reinsurers.

Other Net Costs

Other costs primarily relate to the other revenue noted above, being internal costs allocated to the generation of contribution from other products and fees, and also price comparison expenses. These costs increased with the growth in the revenue lines noted above.

This category also includes central group costs that are not allocated to individual businesses – net share scheme charges being the most significant.

Operating Lease Commitments

The Group is committed to total minimum obligations under operating leases on land and buildings as follows:

	2019	2018
Within one year	12.9	14.8
Within two to five years	47.9	54.3
Over five years	102.0	116.8
Total commitments	**162.8**	**185.9**

Operating lease payments represent rentals payable by the Group for its office properties. There are no leasing arrangements in place for the solo entities.

A.5. ANY OTHER INFORMATION

None.

B. SYSTEM OF GOVERNANCE

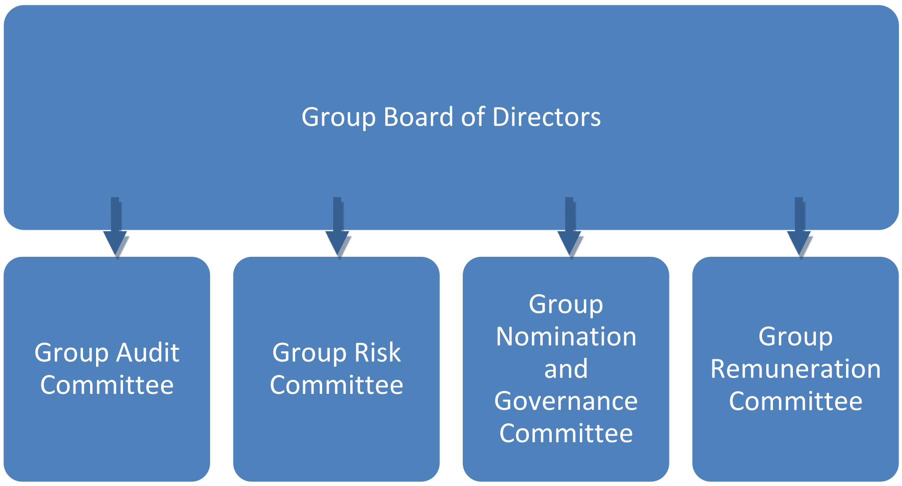
B.1. GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

STRUCTURE OF THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODY

The Board is responsible for promoting the long term, sustainable success of the Group and its shareholders and is the principal decision-making forum for the Group providing entrepreneurial leadership, both directly and through its Committees, and delegating authority to the Executive team. The solo entities AICL and AIGL have respective individual Board meetings that act in the same manner as the Group Board. The Group Board and its Committees also have oversight of AICL and AIGL activities and for AICL, the Group Audit Committee provides a review of the key accounting judgements in respect of the annual accounts, SFCR and QRTs.

The Group's 2019 Annual report (Governance section) provides further detail of the role of the Board and other information such as Board activity during the period.

The Board has delegated authority to a number of permanent Committees to deal with matters in accordance with written Terms of Reference. The principal Committees of the Group Board - Audit, Remuneration, Risk and Nomination and Governance (as shown in the diagram below) - all comply fully with the requirements of the Corporate Governance Code.



All Group Committees are chaired by an independent Non-Executive Director, except the Group Nomination and Governance Committee which is chaired by the Chair of the Board, and comprise a majority of independent Non-Executive Directors. Appointments to the Committees are made on the recommendation of the Group Nomination and Governance Committee and are for a period of up to three years, which may be extended for two further three-year periods, provided the Director remains independent.

The Committees are constituted with written Terms of Reference that are reviewed annually to ensure that they remain appropriate and reflect any changes in good practice and governance. These Terms of Reference are available on request from the Company Secretary and can also be found on the Company's website: www.admiralgroup.co.uk. Directors are fully informed of all Committee matters by the Committee Chairs reporting on the proceedings of their Committee at the subsequent Board meeting. Copies of Committee minutes are also distributed to the Board.

The AICL and AIGL subsidiary Boards are chaired by Non-Executive Directors.

MATERIAL CHANGES IN THE SYSTEM OF GOVERNANCE

There were no material changes in the system of governance during the year and no changes in membership of the Group Board and its Committees.

The following changes were made in respect of the AICL solo entity Board during the year:

- Mark R Waters stepped down as Company Secretary with effect from 11 March 2019
- Daniel J Caunt was appointed as Company Secretary with effect from 11 March 2019.

The following changes were made in respect of the AIGL solo entity Board during the year:

- Mark J Churchlow joined the AIGL Board with effect from 3 December 2019
- Keith G Davies joined the AIGL Board with effect from 3 December 2019

REMUNERATION POLICY

Key Principles of Admiral Remuneration Arrangements

Admiral is committed to the primary objective of maximising shareholder value over time in a way that also promotes effective risk management and excellent customer outcomes, and ensuring that there is a strong link between performance and reward. This is reflected in the Group's Remuneration Policy of paying competitive, performance-linked and shareholder-aligned total remuneration packages comprising basic salaries coupled with participation in performance-based share schemes to generate competitive total reward packages for superior performance.

Fixed remuneration at Admiral comprises base salaries, benefits and pension. In line with the principles outlined above, base salaries are fixed and reflect the individual's responsibilities, role, job size and performance. Market and economic conditions and developments in governance are also considered when setting base salaries and determining the appropriate benefits and pension provisions.

Longer-term performance-based reward is provided through the Discretionary Free Share Scheme which is outlined below. The balance between fixed and variable remuneration ensures that an element of overall reward is linked to longer-term Group Strategy and risk management as well as to shareholder and customer value.

Two share schemes are operated within the Group, as follows:

(i) The Approved Share Incentive Plan (the SIP)

Eligible UK based employees who have served a minimum tenure at Admiral qualify for awards under the SIP based upon the performance of the Group in each half-year period. The maximum award for each year is £3,600 per employee. The awards are made with reference to the Group's performance against prior year profit before tax. Employees must remain in employment for the holding period (three years from the date of award) otherwise the shares are forfeited.

(ii) The Discretionary Free Share Scheme (the DFSS)

Employees across the Group receive DFSS awards based upon role and individual performance. Under the DFSS, individuals receive an award of free shares at no charge. The majority of employees receive

DFSS awards subject to the below criteria, although some business units and a small number of senior management receive DFSS awards subject to alternative vesting criteria.

One third to 50% of the shares awarded at the start of the three-year vesting period are guaranteed to vest subject to continued employment until the vesting date.

The remaining percentage are subject to the Group performance criteria which are the three measures below with equal weighting.

Performance Measure	Threshold	Maximum	Vesting Schedule
Earnings per Share (EPS) growth vs. LIBOR	Growth in line with LIBOR	Growth of 10% p.a. in excess of LIBOR	10% for achieving threshold with straight line relationship to 100% for maximum performance
Total Shareholder Return (TSR) for Admiral vs. FTSE 350	Median	Upper quartile	25% for median, with straight line relationship to 100% for upper quartile
Return on Equity (ROE)	25%	55%	25% for achieving threshold with straight line relationship to 100% for maximum performance

DFSS bonus

The Company does not pay annual cash bonuses in the traditional sense and instead has in place a simple cash award that is directly linked to the number of DFSS awards which have yet to vest and actual dividends paid out to shareholders. This structure contributes to a culture of focussing on collective, rather than individual, and long-term, rather than short-term, success, and is aligned with the Company's philosophy around the efficient use of capital and distribution of surplus profits. The DFSS bonus is also subject to a ±25% adjustment based on performance against a set of risk metrics.

Pension Provisions

The Group operates a Defined Contribution Scheme which is available to all employees following completion of their probationary period. In the UK, the Group matches employee contributions to a maximum of 6% of base salary subject to a maximum employer contribution of £15,000.

The Remuneration Report within the Group's 2019 Annual Report contains further information about the DFSS scheme and the Remuneration Policy for Executive Directors of the Group.

Material Related Party Transactions

Details relating to the remuneration and shareholdings of key management personnel are set out in the Directors' Remuneration Report within the Group's 2019 Annual Report. Key management personnel are able to obtain discounted motor insurance at the same rates as all other Group staff, typically at a reduction of 15%.

The Board considers that only the Executive Directors of Admiral Group plc are key management personnel. Aggregate compensation for the Executive Directors is disclosed in the Directors' Remuneration Report within the Group's 2019 Annual Report.

B.2. Fit and proper requirements

The Admiral Group Nominations and Governance Committee owns and approves the Admiral Group plc Fit and Proper Policy. The policy aims to ensure that all senior individuals who represent the organisation meet the fit and proper requirements in terms of qualifications, capability, honesty and integrity. As per the Policy, all prospective senior management appointments shall fill out a checklist prior to an offer being made. The checklist includes details of the candidate's knowledge, competence and experience to perform the role, and a declaration from the senior manager responsible for the recruitment to confirm the assessment of the candidate's fitness and propriety was carried out in line with this Policy. In addition, the candidate will be subject to interviews with appropriate members of staff, who will help complete the assessment of the candidate's fitness and propriety in relation to that role.

In order to ensure that the individuals running the organisation are fit and proper a number of checks are undertaken including;

- Previous employment history
- Educational background check*[1]
- Professional qualifications and membership check*[1]
- Notification of appointment to regulator
- Information on potential conflicts of interest
- Criminal history checks
- Credit checks
- Identity checks
- Directorship check
- Financial sanctions checks

*[1] *Where deemed necessary*

The Head of People Services is responsible for ensuring the Fit and Proper policy, approved by the Admiral Group Nominations and Governance Committee, is adhered to when senior management appointments are made by the firm. The policy is reviewed annually by Compliance to ensure it is in line with all relevant regulations and remains fit for purpose. In addition, all senior management are subject to requirements laid out by the UK regulators (FCA and PRA), through the Senior Insurance Management Regime.

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

The Group has a 'three lines of defence' approach to Risk Management, the scope of which also applies to the solo entities AICL and AIGL. The 'first line of defence' describes the controls the Group has in place to deal with the day-to-day business. Controls, which are designed to appropriately mitigate risk, are managed by the business unit and overseen by the business unit Risk Management Committees who ensure compliance and review control breakdowns, inadequacy of process and unexpected events.

The 'second line of defence' describes the Committees (primarily the Group Risk Committee) and functions that are in place to provide an oversight of the effective operation of the internal control framework. These committees review the management of risk in relation to the particular risk appetite of the business, as determined by the Board. The 'second line' is reinforced by the advisory and monitoring functions of Risk and Compliance. Risk defines and prescribes risk assessment processes for the business, maintains risk registers and undertakes regular reviews of these risks and controls in conjunction with line management. Compliance provides advice on all areas of regulatory principles, rules and guidance, including reviewing any regulatory changes, and undertakes monitoring activity on key areas of regulatory risk and policy adherence.

The ‘third line of defence’ describes the independent assurance provided by the Group Audit Committee and the Group Internal Audit function that reports to that Committee. Internal Audit undertakes a programme of risk based audits covering all aspects of both the first and second lines of defence. The findings from these audits are reported to all three lines, i.e. line management, the executive and oversight committees and the Audit Committee.

The Group’s Enterprise Risk Management Framework (ERMF) is described in Section C (Risk Profile) below.

ORSA

Admiral Group plc’s Risk Strategy is directly linked to its business plan and model. The approach is embedded in the ORSA and links to the business planning process.

The Group Risk Function defines and prescribes the financial and operational risk assessment processes for the business; performs second line reviews, including reserving and capital modelling processes; maintains the risk registers; undertakes regular reviews of these risks in conjunction with line management; delivers the Own Risk and Solvency Assessment (ORSA); and records any actual losses or near misses that occur as a consequence of the realisation of risk.

The Chief Risk Officer has responsibility for ensuring that managers are aware of their risk management obligations, providing them with support and advice, and ensuring that the risk management strategy is properly communicated. Reports are produced showing the most significant risks identified and the controls in place. Internal Audit uses the risk registers to plan and inform their programme of audits around the most significant risks to the Group to ensure that the prescribed controls are in place and are operating effectively.

ORSA Approval Process

On an annual basis, or following significant changes in the risk profile of the business, the Group Risk Function will produce an Own Risk and Solvency Assessment (ORSA) Report, in line with the ORSA Policy and Solvency II regulations. Covid-19 represents a material event that has a significant impact on the risk profile of the business and Group Risk will prepare an ad hoc ORSA Report in line with the aforementioned regulations.

The annual and any ad hoc ORSA reports are reviewed and challenged by the Group Risk Committee prior to submission to the Group and subsidiary Board Committees for approval.

The Board approved report is also submitted to the PRA and GFSC for information purposes, and to receive feedback on the quality and suitability of the report.

Group Determination of Solvency Requirements

Within the ORSA, the Solvency Capital Requirement is calculated on two bases; Regulatory (one year) and Economic (ultimate). The ORSA considers both bases in order to provide a quantification of the differences between the two viewpoints. In addition, analyses of the key drivers of economic (ultimate) capital needs and regulatory capital requirements are also considered.

Admiral is currently developing an internal model and intends to seek approval from the PRA and the GFSC to calculate the regulatory SCR using a Partial Internal Model (PIM) for Group and AIGL. Whilst

Admiral completes this development, the Group's regulatory capital requirement is based on the Solvency II standard formula with a Capital Add-On to reflect recognised limitations in the standard formula, (predominantly in respect of profit commission arrangements within co- and reinsurance contracts and risks arising from Periodic Payment Order (PPOs) claims).

Refer to Section C for a review of the Group's basis for calculating Regulatory capital requirements.

B.4. INTERNAL CONTROL SYSTEM

The Admiral Group Internal Control Policy documents the procedures in place within the Group (that also cover the solo entities AICL and AIGL), to ensure there is an effective internal control framework operating. The internal control system is managed through both the effective operation of the systems of governance in place within the Group, as well as through the 'three lines of defence' strategy adopted by the Group.

The Internal Control framework is broadly defined as continually operating processes, affected by the Board of Directors, management and all levels of personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations in view of its risks and objectives
- Availability and reliability of financial and non-financial information
- Compliance with applicable laws, regulations and administrative provisions

Internal control consists of five interrelated components:

- Control environment – sets the tone of an organisation through the business plan, risk appetite and risk profile.
- Risk assessment – understanding the assessment of the risks which exist which would impact on the ability of the entity to achieve the business' objectives
- Control activities – policies and procedures that help ensure necessary actions are taken to address risks to achieve the business' objectives.
- Information and Communication – Pertinent information must be identified, captured and communicated in a form and timeframe that allows relevant individuals to carry out their responsibilities.
- Monitoring – Internal control systems need to be monitored to assess the quality of the internal control system over time. This is accomplished through ongoing monitoring activities, with deficiencies in the internal control framework reported to senior management and the Board.

These components work to establish the foundation for sound internal control within the Group through directed leadership, shared values and a culture that emphasizes accountability for control.

The Group's control environment is determined by the Admiral Group Board of Directors, supported by a number of Committees who have set the tone of the organisation through the Admiral culture, principles, business plan and risk appetite.

Key control activities are mapped to primary risks held within the Group's risk universe.

Line 1 (operational functions) are responsible for monitoring all the risks facing their operation, whether this be through call monitoring, file reviews or audit reviews. Results on monitoring activities are provided to operation managers, and subsequently reported on through the Admiral Group Governance structure.

Line 2 (Risk & Data Protection, Compliance and Actuarial functions) are responsible for the oversight of the Line 1 monitoring. This is done through:

- Risk reviews – business unit risk and controls discussed at RMCs with material risks and KRIs presented to Group Risk Committee in the Consolidated Risk Report
- Compliance Advice and Compliance Monitoring Reviews presented to Group Risk Committee
- Actuarial and validation reviews

Line 3 (Internal Audit) are responsible for conducting an objective and independent appraisal of all the Group's activities, financial and otherwise, through a risk based plan, approved annually by the Group Audit Committee.

External Reviewers are responsible for the oversight of specific processes within the Group, depending on the scope of the review they are required to undertake.

B.5. COMPLIANCE FUNCTION

The Group Compliance Function sets the strategic direction for the business on Compliance matters and provides oversight and assurance to the Board over the effectiveness of the first line areas in delivering its regulatory responsibilities and adherence to the rules and guidelines set by the FCA and PRA, along with other regulatory bodies as applicable.

The Group Compliance Function is responsible for the design, implementation, monitoring, and review of the Group's Conduct Risk Management Framework as well as the identification and communication of any new requirements arising from changes in regulation. The Function, alongside Group Risk, oversees the Line 1 processes for identifying, owning and ongoing management of Conduct Risk, including the implementation of new regulatory requirements. The Head of Group Compliance provides regular reports to the Group Risk Committee who monitor Conduct risk in relation to the Conduct Risk appetite approved by the Group Board. Regular Compliance reporting is also provided to the subsidiary boards including the EUI, AIGL, AICL and AECS Boards.

The Group Compliance Function works with the Group Risk Function to provide advice and resolution to risk events as they arise. Management of customer outcome risk events is completed in line with the Group Risk Management Policy.

B.6. INTERNAL AUDIT FUNCTION

The Group Internal Audit function is responsible for conducting an objective and independent appraisal of the Group's activities, financial and otherwise, through a risk-based plan, approved annually by the Group Audit Committee. It is responsible for evaluating and reporting to the Group Board and the Group Audit Committee, and thereby providing them with assurance on the operating effectiveness of controls that management has put in place.

Internal Audit is also responsible for providing assurance over the arrangements for risk management, control and governance, compliance with internal policies, procedures and controls, and value for money, where relevant to each audit assignment. The Group Internal Audit department shall report to the relevant Board/Committee the findings and recommendations from their review, including the time period envisaged to remedy any shortcomings, and follow up on any recommendations made on a timely basis. It remains the duty of management to operate these arrangements, to determine whether or not to accept audit recommendations and to recognise and accept the risks of not taking action. Management need to provide an appropriate level of justification and where applicable supporting documentation to justify their reasoning, when choosing to accept the given risk, or decline a recommendation.

The Annual Audit Plan is based on a methodical risk analysis, taking into account all activities and the complete system of governance, as well as expected developments of activities and innovations. Significant areas of risk, per the Risk Registers, are considered for inclusion in the Annual Audit Plan each year. Any audits graded red in colour are considered for review within a twelve month period until they are in a non-red status.

Independence and Objectivity of the Internal Audit Function

The Group's internal audit policy states that the Internal Audit department and all of its employees must be functionally and organisationally independent of the business processes, events and transactions of the company. The Internal Audit department will carry out its assignments with impartiality and is free to express its opinions in their reports. Amongst many matters, the Internal Audit department must have direct access to the Board of Directors, Group Audit Committee and the Chief Executive Officer and be able to report directly to these levels when they deem this necessary. Such independent structure should enable the internal auditor to render impartial and unbiased judgement, essential to the proper conduct of their work.

Internal Audit activity must be free from interference in determining the scope of internal auditing, performing work and communicating results.

Unless permission is granted by the Group Audit Committee Chair, an Internal Auditor will not perform an audit review in an area where they had a consultancy / operational role in the previous twelve months.

Where practical, areas under review are rotated amongst the staff in Internal Audit to avoid any potential conflict of interest.

B.7. ACTUARIAL FUNCTION

The Actuarial Function has a number of responsibilities in the area of technical provisions and also in providing an opinion on the adequacy of re-insurance and underwriting.

Solvency II requirements state that the Actuarial Function shall be carried out by persons who have knowledge of actuarial and financial mathematics, commensurate with the nature, scale and complexity of the risks inherent in the business, and who are able to demonstrate their relevant experience with applicable professional and other standards. The Actuarial Function should be free from influences that may compromise its ability to undertake its duties in an objective, fair and independent manner.

The Actuarial Function produces a written report ("The Actuarial Function Report") which is submitted to the Board, at least annually, documenting all tasks undertaken, identifying deficiencies and making recommendations to remedy these deficiencies. The report is designed to include the calculation of technical provisions, an opinion on overall underwriting policy and an opinion on the adequacy of reinsurance arrangements.

The responsibilities that fall under the remit of the Actuarial Function are segregated from other business activities to allow independent review and challenge, allowing the Actuarial Function to provide an independent opinion of the areas of Technical Provisions, Reinsurance and Underwriting. The validation, review and challenge is carried out by the second line Group Risk Function which enables clearer separation of activities and strengthens the independence. The Actuarial Function is comprised of suitably qualified individuals who have the skills and knowledge to make the decisions without the influence of others.

B.8. Outsourcing

The Group's Procurement and Outsourcing Policy ensures that any third party arrangement entered into by the Group does not lead to impairment of either the Group's systems of governance and internal control, or the relevant supervisory authority in monitoring compliance risks, does not unduly increase the operational risk and does not undermine continuous and satisfactory service to customers.

The Group outsources a number of critical and important functions across all businesses, to various third parties. The Group Procurement and Outsourcing Policy provides a clear guide to identify and manage outsourced relationships to a minimum standard based on the strategic risk the supplier poses to the Group.

Material intra-group outsourcing arrangements include the provision of insurance services by the Group's insurance intermediaries EUI Limited, Admiral Intermediary Services S.A.U and Elephant Insurance Services LLC to the Group's regulated insurance entities. In addition, the Group has shared IT development centres in Canada, India and Spain that provide services to both the Group's insurers and price comparison websites. Intra-group outsourcing arrangements fall within the scope of the Group's outsourcing policy in a consistent manner to outsourcing arrangements external to the Group.

B.9. Any other information

Assessment of the adequacy of the system of governance

The Board is ultimately responsible for the Group's system of governance, including the system of risk management and internal control.

As noted in the Group's 2019 Annual Report, the Board confirms the Group's compliance with the principles and provisions of the UK Corporate Governance Code 2018 (the code) which is applicable to the year under review, and is considered to represent best practice for UK listed companies. This covers both the Group as a whole, and also the solo entities AIGL and AICL.

C. Risk Profile

Risk Assessment and Risk Management

The Admiral Group Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The Board has delegated the development, implementation and maintenance of the Group's risk management framework to the Group Risk Committee, which reports its activities to both the Board and also to the Group Audit Committee, for the purposes of reviewing and reporting on the overall effectiveness of this system.

The Group's 2019 Annual Report (pages 94-98) contains detailed information on the activities of the Group Risk Committee during the year along with the Committee's duties and responsibilities and the Group's Risk Management and Internal Control statement.

Risk is an essential part of the Group's business operations and successful risk taking is required to achieve the Group's business objectives, forming a core consideration when setting strategy, formulating business plans, managing performance and rewarding management success.

The ERMF at Admiral Group has been designed, implemented and embedded to provide the Board with oversight of the risks and the management of those risks throughout the Group. The framework operates to provide first, second and third lines of defence for all risks whether accepted within the risk appetite process or not.

The structure of the Admiral Group Risk Appetite is as follows:

i. The **Key Risks** to the business are identified based on the Level 1 Risks from the Admiral Risk Universe, with a further split to highlight other key risks on the grounds of materiality. All Key Risks are assigned an owner at a Group and Business Unit level.
ii. **Risk Classifications** are assigned to each key risk on a materiality basis.
iii. **Risk Drivers** are identified for each key risk.
iv. **Risk Appetite Statements** are then assigned to define the approach to managing each of the risk drivers within appetite for the key risk category.
v. **Key Risk Indicators (KRIs)** are monitored for each risk driver to act as early warning indicators for the Board and Management Risk Appetite Statements.
vi. **Triggers and Limits** are defined to reflect early warning indicators such that a break of a trigger of limit is not defined as a break of the Board's risk appetite.

The Group Risk Appetite is owned and approved by the Admiral Group Board. The responsibility for the Group Risk Appetite is delegated to the Group Risk Committee who reviews all components prior to Board approval and monitors the performance of the business against the approved Group Risk Appetite through the Consolidated Risk Report.

Material Risks

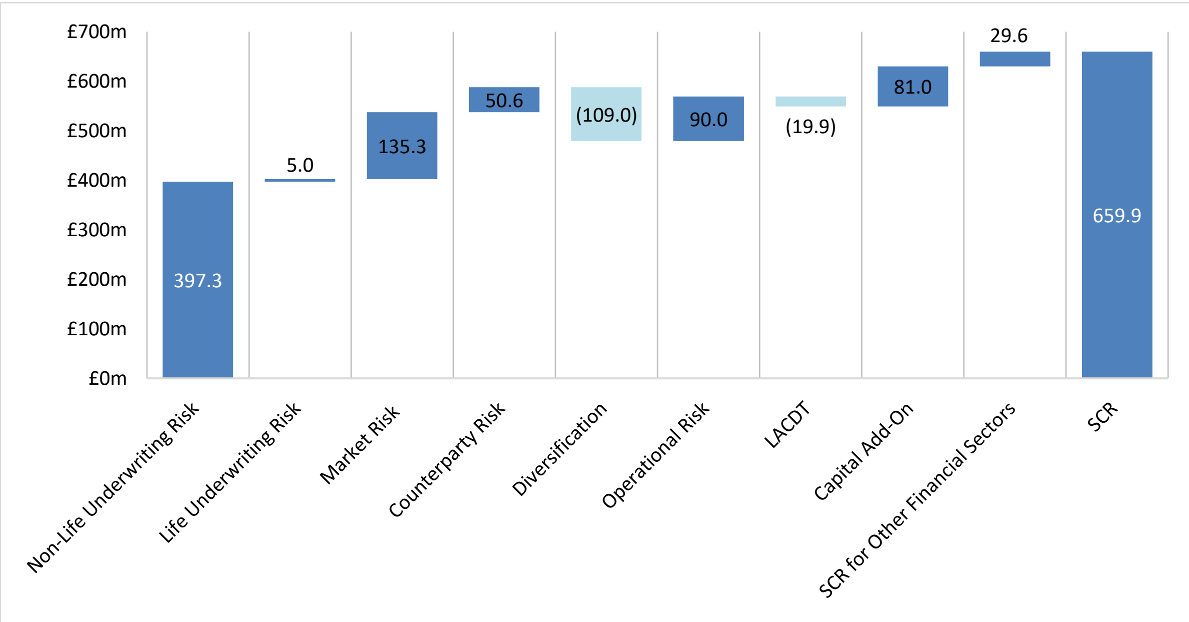
The material, or Key Risks to the Group are listed below, and may be mapped to the main categories of risk within the Solvency II Solvency Capital Requirement (SCR):

Key Risk	Risk Overview
Insurance, or Underwriting Risk	Uncertainty over the occurrence, amount or timing of claims arising on insurance contracts issued by the Group.
Market Risk	Fluctuations in the value of market prices of the Group's investment assets and liabilities, or in the income and expenses generated from these assets and liabilities.
Counterparty, or Credit Risk	The risk that counterparties (primarily either reinsurers or banks or other investment counterparties) default on obligations.
Operational Risk	Risks arising through operational processes and procedures. These include risks related to people, processes, IT systems, information security, business continuity and customer outcomes.
Group Risk	Risks, other than those captured within categories above arising across the Group's operations. These may relate to the Group's non insurance businesses (such as Price Comparison) or to other risks relating to the insurance businesses (such as loss of additional revenues from customers).

Each of these risk categories is discussed in further detail in sections C1 – C7 below, along with details of risk mitigating actions taken by the Group Board in respect of each risk. Pages 66-73 of the Group's 2019 Annual Report also provide further information on the Group's 'Principal Risks and Uncertainties', their impacts and the associated mitigating actions.

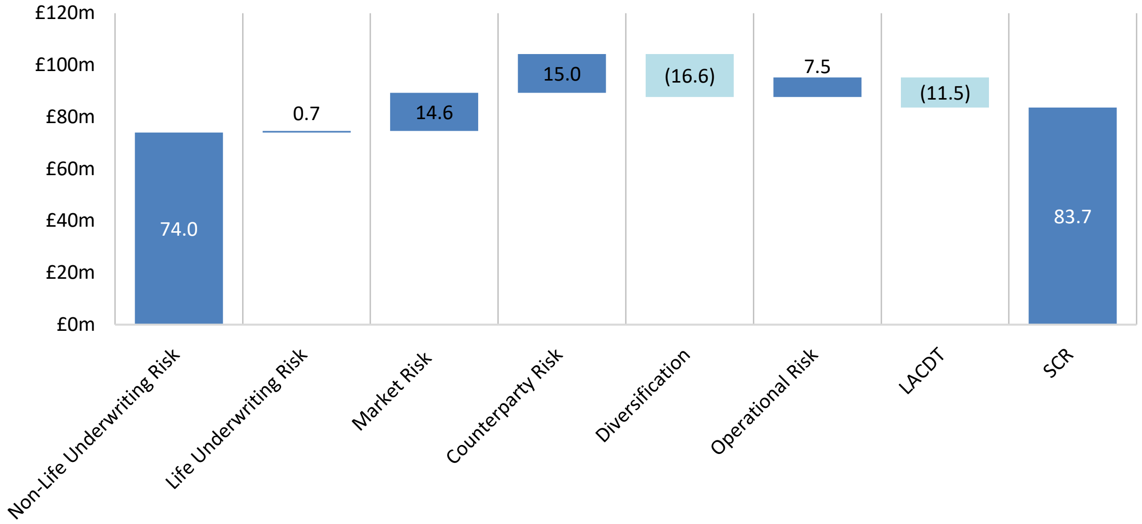
The Group's Solvency II SCR reflects the profile of these material risks. The chart below evidences that insurance, or underwriting risk is the Group's material risk concentration, comprising 61% of the YE 2019 SCR. There has not been a material change to this risk profile over the course of 2019 and there is not expected to be a material change during 2020.

2019 Group Solvency Capital Requirement – by risk type

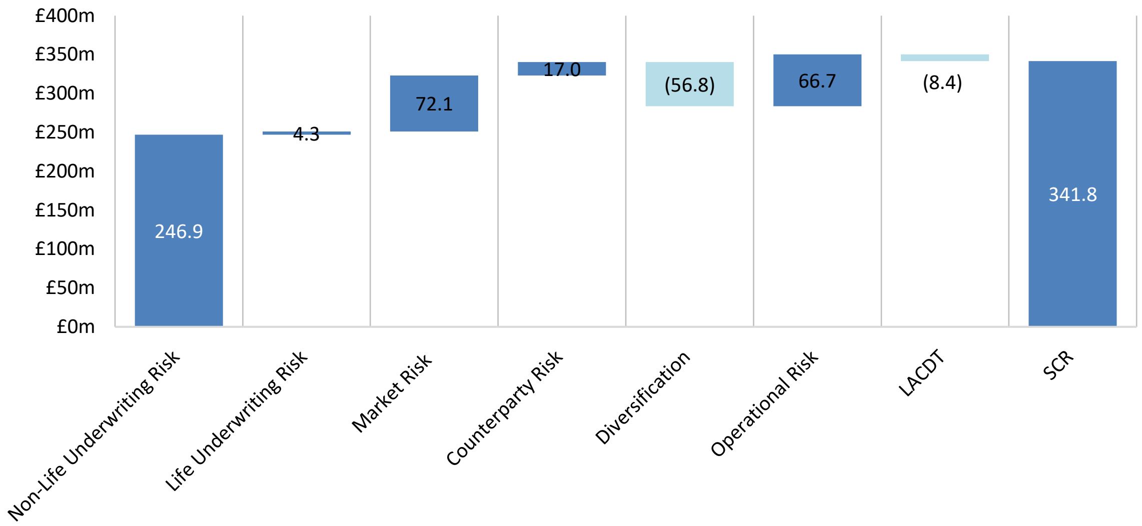


The Group's core and dominant line of business is UK motor and therefore the insurance, or underwriting risk is concentrated on the applicable SII lines of business for UK motor (primarily, non life 'liability' and 'other' risks). The composition of the SCR for the solo entities AICL and AIGL is shown in the charts below:

2019 AICL Solvency Capital Requirement – by risk type



2019 AIGL Solvency Capital Requirement – by risk type



REGULATORY SOLVENCY CAPITAL REQUIREMENTS

The Group's Solvency Capital Requirement presented in the first chart above, is the Regulatory SCR which is prepared on a Standard Formula (SF) plus Capital Add-On (CAO) approach, as shown by the table below.

Regulatory SCR Calculation Approach	GROUP	AICL	AIGL
SF		✔	
SF plus Undertaking Specific Parameters (USP)			✔
SF plus CAO	✔		

All entities applied the Volatility Adjustment (VA), an adjustment to the risk-free rate used in the discounting technical provisions to dampen the effect of widening bond spreads, at 31 December 2019.

As previously disclosed, the Group is preparing to make a Partial Internal Model submission to the UK and Gibraltar regulators. Ahead of the start of the Solvency II regime, the Group applied for a CAO to the standard formula to reflect recognised limitations in the standard formula with respect to Admiral's risk profile. These predominately relate to profit commission arrangements in co-insurance and reinsurance contracts and risks arising from claims including PPO claims.

The Group continues to develop its partial internal model to form the basis of future capital requirements and expects to enter the PRA's pre-application process during 2020. Formal application for regulatory approval to use the model is expected to follow in 2021. In the interim period before submission, the current capital add-on basis will continue to be used to calculate the regulatory capital requirement. For further detail, please refer to Sections C6 and E2 below.

The Regulatory SCRs for the Group's Solvency II regulated subsidiaries AICL and AIGL, are calculated on a standard formula basis. For the UK regulated subsidiary, AICL, the Group considers the standard formula to appropriately reflect the Company's risk profile.

For AIGL, the interaction of profit commission arrangements with external reinsurers and intra-group profit commission arrangements means limitations of the standard formula with respect to these risks cannot be addressed with a CAO as the add-on would reflect a deduction to the standard formula, which is not permitted within Solvency II regulation. AIGL has obtained approval from the Gibraltar regulator (Gibraltar Financial Services Commission) to use Undertaking Specific Parameters (USPs) in its calculation of underwriting risk.

C.1. Underwriting risk

The Group's underwriting risk consists of Non-life and Life components. As noted above, the material concentration of risk is within Non-life underwriting risk, given the Group's focus on general insurance lines of business. Life underwriting risk arises through the settlement of claims on a Periodic Payment Order (PPO) basis, where annual index-linked settlements to claimants exposes the Group to life risks such as the claimant's life expectancy (longevity) and inflation.

Non-Life Underwriting Risks

Non-life underwriting risk consists of the following components of risk:

- Non-life premium risk
- Non-life reserve risk
- Lapse risk
- Catastrophe risk

The valuation of Non-life underwriting risk is driven by the premium and reserve risk component, with small contributions made by lapse and catastrophe risk.

The majority of Non-life underwriting risk is accepted by the Group's Solvency II regulated subsidiaries AICL, AIGL and AECS. As a result, there is little difference between the sum of the components of Non-life insurance for AICL, AIGL and AECS and the Group valuation. The key exception to this is catastrophe risk; the difference here is driven by exposure to natural weather catastrophes (primarily through hailstorms and flood events) in the USA due to risks underwritten by EIC.

Non-life Reserve risk is driven by adverse development in the valuation of the liabilities which is mainly related to longer tailed bodily injury claims, particularly from the Group's UK motor business, which have greater uncertainty associated with the ultimate cost of claims than, for example, property damage claims (across both Motor and Household businesses). These claims can develop over a number of years so the reserve risk figure relates to several underwriting years.

The Group's retention of risk across underwriting years for the core UK motor business varies depending on the co-insurance and quota share reinsurance contracts in place for each year. The Group has historically used reinsurance (in the form of both co-insurance and quota share reinsurance, as well as excess of loss reinsurance) as a risk mitigation tool across all lines of business - refer to the risk mitigation section below for further detail. In addition, the Group's Annual Report contains further information about the co-insurance and reinsurance arrangements in place for businesses across the Group (page 47 for UK Insurance and page 53 for International Insurance).

Premium risk is the risk that the Group incurs losses on risks arising in the twelve months after the valuation date. Premium risk consists of a lower proportion of bodily injury exposure, and therefore has a higher proportion of property damage in future claims experience which increases the diversification between claim types compared to reserve risk. This is due to premium risk considering the future occurrence and severity of claims, rather than the development of existing claims, of which property damage claims generally settle quickly.

LIFE UNDERWRITING RISKS

As noted above, the Group is exposed to life underwriting risks in respect of claims that have settled by way of a PPO. The risks relevant to the Group within the standard formula calculation of life risk are longevity risk and life expense risk. In addition, the Group's CAO captures inflation risk (refer to section C6).

The Group has a relatively low number of settled PPO claims, and therefore, life underwriting risk does not reflect a significant contribution of risk. In addition to this, diversification against the significant non-life insurance risks further reduces the element of the SCR attributable to life underwriting risk.

RISK MITIGATION

Underwriting risk is the Group's material risk and as noted above, a key part of the Group's risk mitigation strategy with respect to underwriting risk is the use of co-insurance and reinsurance (both proportional quota share reinsurance and non-proportional excess of loss reinsurance). In the core UK motor business, both co-insurance and quota share reinsurance contracts are utilised to mitigate risk.

In respect to proportional risk sharing agreements, the Group's net retained share of business after proportional co-insurance and reinsurance arrangements, for material businesses in the 2020 underwriting year, and at 31 December 2019 in relation to 2019, 2018 and 2017 underwriting years, is as follows:

Business	Net Retained Share 2020 UW Year	Net Retained Share 2019 UW Year	Net Retained Share 2018 UW Year	Net Retained Share 2017 UW Year
UK Car	22%	22%	22%	53.5%*
UK Household	30%	30%	30%	30%
UK Van	25%	25%	25%	25%
UK Other	100%	100%	100%	100%
Italian Motor	35%	35%	35%	35%
Spanish Motor	30%	30%	30%	30%
French Motor	30%	30%	30%	30%
US Motor	50%	33%	33%	33%

**The UK Car retained share for 2017 includes quota share commutations completed in H1'19. The original net retained share for this year was 22%.*

In line with the standard formula approach, underwriting risk capital requirements are calculated net of co-insurance and reinsurance. However, for UK Motor contracts, both co-insurance and proportional quota share reinsurance contracts allow Admiral to participate in the profitability of those portions of the book through profit commission arrangements. The additional risks that the Group is exposed to through these contracts are captured in the Group's CAO – refer to section C6 below.

C.2. Market risk

The Group's investment strategy is primarily focused on capital preservation with additional priorities being low volatility of returns and high levels of liquidity. The strategy and resulting portfolio was materially unchanged during 2019, with money market funds, and fixed income debt securities comprising the majority of the total portfolio.

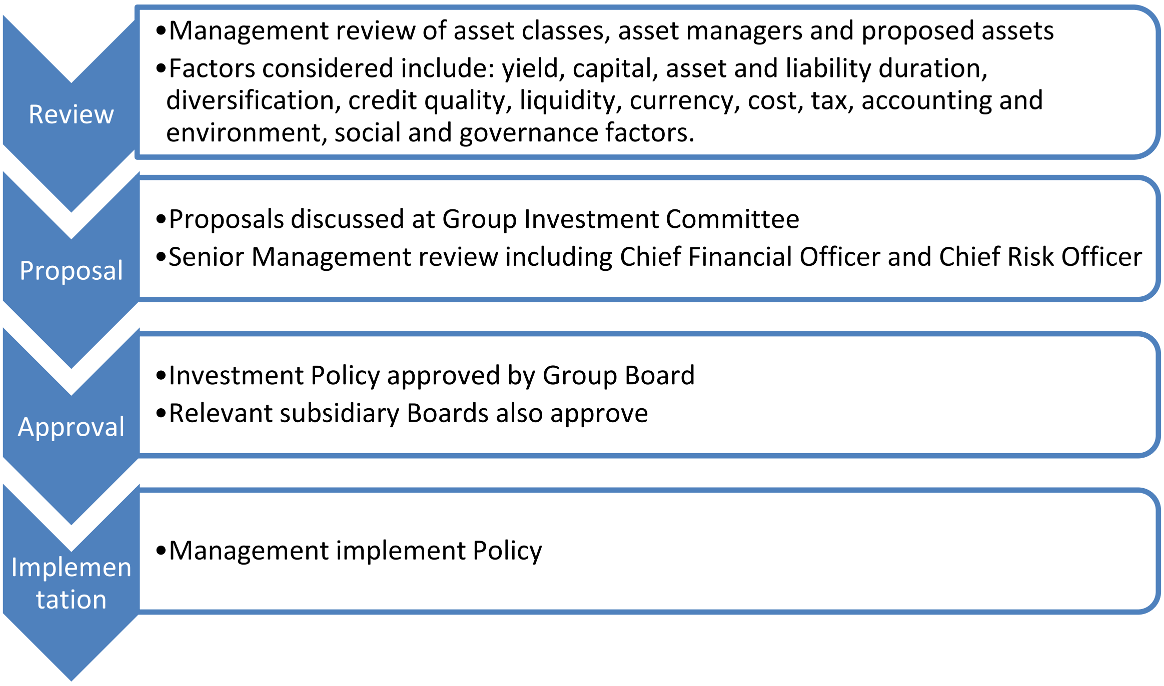
Further information on the IFRS classification of the Group's cash and investments is included in the Group's 2019 Annual Report.

Prudent Persons Principle

Solvency II has introduced the Prudent Person Principle for managing investments.

The Prudent Person Principle seeks to ensure that the industry understands and is capable of managing its investment risks. Specifically, insurers must be able to demonstrate that they can properly identify measure, monitor, manage, control and report on their investment risks and not place reliance upon information provided by third parties.

Admiral's risk management and strategic decision making process in respect of asset investment is centred on the Group's Investment Committee. The Investment Committee is a Management committee that includes Non-Executive representation. The governance process for material asset investment decisions can be summarised as follows:



At each stage of the process the proposal is subject to review by senior management independent of the proposal. Implementation of an investment decision is performed only once all stages of approval have been achieved. The quantitative analysis is considered but also the experience of the senior management allows for a material qualitative judgement.

Once the purchase has occurred the asset is then part of the ongoing valuation, income and capital process. The Group Investment Committee meets at least on a quarterly basis and reviews detailed Management Information presented on a look-through basis that covers the security, quality, liquidity and profitability of the portfolio.

MARKET RISK COMPONENTS

Market risk comprises 21% of the Group's 2019 regulatory SCR. The largest contribution at YE'19 is from Spread Risk, primarily reflecting the risk of valuation changes in the Group's fixed income debt securities resulting from credit spread changes. Property risk, Interest rate risk, Equity risk (in relation to the valuation of the parent company's holdings in Strategic Participations), Currency risk and Concentration risk also contribute as noted in the table below. Market risk comprises 17% and 21% of the SCRs for AICL and AIGL respectively.

Risk	Description
Property Risk	The risk of a fall in valuation of property assets arising from the sensitivity of assets to the level or volatility of market prices, rental yields and occupancy rates. This risk is not applicable to AICL and AIGL who do not lease or own any properties.
Interest Rate Risk	The risk of a fall in the value of assets and/or an increase in the value of liabilities, due to changes in the level of interest rates. The standard formula interest rate module captures the net movement of both the Group's investment portfolio and the Insurance Technical Provisions.
Strategic Participation Risk	The risk of a change in the value of the holdings in non-insurance subsidiary undertakings of Admiral Group. This consists of the investments made in, for example, the Group's price comparison businesses.
Spread Risk	The risk that the value of an investment holding falls, following a change in the riskiness (predominantly credit risk) of the issuing company.
Currency Risk	The risk of exchange rate movements that adversely impact the net value of overseas assets and liabilities.
Concentration Risk	The risk that Admiral Group holds a concentration of investments within a particular asset class or with a particular counterparty.

C.3. COUNTERPARTY DEFAULT RISK

Credit or Counterparty risk represents the risk of default by reinsurance partners and investment counterparties holding the Group's cash balances, in line with the standard formula approach. It reflects 8% of the Group SCR and is mainly comprised of Type 1 counterparty risk – the risk relating to default by reinsurance partners combined with a trivial amount of Type 2 counterparty risk – the risk relating to past due debtors.

It is a relatively small component of risk because the Group only enters into reinsurance arrangements with counterparties of appropriate credit ratings (A- or higher), and because the Group has 'funds withheld' arrangements in place with its largest UK motor quota share reinsurance partners which mitigates a significant proportion of the risk faced.

C.4. LIQUIDITY RISK

Liquidity risk is not a key risk for the Group as both the UK Motor and Household Insurance have significant cash in-flows of income in advance of claims and expenses being paid, which are expected to be less than the total premiums received. This reduces the risk of a liquidity strain.

The total amount of expected profit included in future premiums (EPIFP) as calculated in accordance with Article 260 of the Delegated Acts is £39.5 million for the Consolidated Group and £5.7 million and £38.0 million for AICL and AIGL respectively. EPIFP is not a measure of the profit for the Group and is not to be interpreted as a profit forecast or to set a floor to the profits of the Group.

As noted in section C2 above, one of the Group's strategic considerations when determining investment strategy is liquidity and a significant proportion of the funds invested sit in instant access money market funds.

C.5. Operational risk

Operational risk arises within all areas of the business. The Group, through its ERMF, implements, maintains and monitors a series of internal controls that aim to mitigate the range of operational risks that the Group faces.

The operational risk capital requirement is calculated using the standard formula.

C.6. Other material risks

Capital Add-On

As noted earlier in this section, the Group has applied for a Capital Add-On as a result of limitations in the standard formula with respect to the Group's risk profile. The CAO reported in the 2019 Group annual QRT is £81.0 million, following approval in August 2017.

The CAO primarily reflects the following risks:

Risk	Description
Profit Commission	Admiral has extensive profit commission arrangements within its co-insurance and quota share reinsurance arrangements. Under stressed conditions, there is a risk that profit commission income recognised in the Solvency II balance sheet will need to be de-recognised, reducing the value of Own Funds.
PPO (Potential and Settled)	Admiral-specific parameters for both reserve and premium risk uncertainty are derived to reflect the risk associated with both future and potential PPOs, which is not deemed to be appropriately reflected in the standard formula parameters. In addition, the inflation risk related to settled PPOs is captured in recognition of the limitations of the standard formula life underwriting risk module.

C.7. Any other information

Loss Absorbing Capacity of Deferred Taxes (LACDT)

At YE'19, the Group's regulatory SCR is reduced by £19.9 million to reflect the tax losses arising as a result of the 1 in 200 year event, that may be utilised against current or deferred tax liabilities. The resulting LACDT can primarily be attributed to the Group's regulated insurance entities in the UK and Gibraltar. No LACDT benefit has been recognised on the basis of the potential to offset tax losses against profits on business that will be written in the future.

Treatment of Admiral Loans

At YE'19, the Group's regulatory SCR includes £29.6 million to reflect the risks inherent within the Admiral Loans business. This primarily reflects credit risk on the net loans portfolio, together with an element of operational risk.

Risk Sensitivity

The Group has established processes to undertake stress and scenario testing on an ongoing basis, with testing undertaken at least annually. The stress testing processes operate in collaboration with the Corporate Governance Committees and involve a number of members of senior and operational management. The results of the tests undertaken improve the Boards understanding of risk, influence business decisions and form a key part of the Enterprise Risk Management Framework.

In addition, solvency ratio sensitivities are reported to the Group Board and its Committees on a regular basis. The following Group solvency ratio sensitivities (as reported in the 2019 Annual Report) were reviewed for YE'19.

Solvency Ratio Sensitivities 2019	Movement in Solvency Ratio (percentage pts)
UK Motor – incurred loss ratio +5%	(23%)
UK Motor – 1 in 200 catastrophe event	(1%)
UK Household – 1 in 200 catastrophe event	(2%)
Interest rate – yield curve down 50 bps	(5%)
Credit spreads widen 100 bps	(8%)
Currency – 25% movement in euro and US dollar	(3%)
ASHE – long term inflation assumption up 50 bps	(3%)
Loans – 100% worsening in experience	(3%)

D. VALUATION FOR SOLVENCY PURPOSES (AUDITED)

Section D focuses on the Solvency II balance sheet and the valuation of assets and liabilities. For each material class of assets, technical provisions and other liabilities, the following information is provided:

- A description of the bases, methods and main assumptions used in arriving at the valuation for solvency purposes;
- Quantitative and qualitative explanations of material differences between the bases, methods and main assumptions used for the valuation for solvency and financial statement purposes.

The material classes in the Group and solo entity Solvency II balance sheets are shown in the table below.

Summary Solvency II Balance Sheets – Consolidated Group, AICL and AIGL

Solvency II Balance Sheet, 31-Dec-19	GROUP	AICL	AIGL
Property, plant and equipment	147.1	-	-
Investments excl Participations	3,222.4	309.6	2,333.1
Investment in Participations	72.7	-	-
Loans and Mortgages	185.2	-	150.6
Reinsurance recoverables	1,653.3	28.6	1,285.3
Deferred tax assets	-	-	0.6
Receivables and other assets	414.9	88.5	84.1
Cash	189.2	10.2	13.0
Total Assets	**5,884.8**	**436.9**	**3,866.7**
Technical Provisions - best estimate	3,056.2	258.5	2,272.3
Technical Provisions - risk margin	86.1	14.4	68.2
Deposits from reinsurers	793.6	2.1	831.5
Deferred tax liabilities	63.2	6.0	-
Other payables and liabilities	539.6	24.0	177.6
Subordinated liabilities	225.1	-	-
Total Liabilities	**4,763.8**	**305.0**	**3,349.6**
Excess of Assets over Liabilities	**1,121.0**	**131.9**	**517.1**

Section E of this document contains a reconciliation from the IFRS net assets to the Solvency II excess of assets over liabilities that forms part of Tier 1 Own Funds.

The individual material classes of assets, technical provisions and liabilities are considered in sections D1, D2, and D3 respectively.

D.1. Assets

Material Class	
1. Goodwill, DAC and Intangible Assets	Goodwill, deferred acquisition costs and intangible assets (primarily internally generated software assets) have no economic value and are therefore eliminated in the transition from IFRS to Solvency II. This has a total impact of £116.9 million for Group, and £2.8 million and £9.6 million for AICL and AIGL respectively.
2. Property, plant and equipment	Property plant and equipment includes both right-of-use assets arising from property leases following the implementation of IFRS 16 on January 1 2019 and other PPE (primarily and leasehold improvements). These assets are held at the IFRS value of cost less depreciation. This valuation is not considered to differ materially from its economic market value.
3. Investments and 8. Cash	Financial assets and liabilities are held at Fair Value where level 1 inputs can be obtained. Level 1 refers to the first level of the Fair Value hierarchy which categorises valuation inputs into three levels. The hierarchy gives the highest priority (Level 1) to quoted prices in an active market, and the lowest priority to unobservable inputs (Level 3). Level 3 financial assets and liabilities are immaterial to the Group, AICL and AIGL. **Level 1 inputs** Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. **Level 2 inputs** Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: • quoted prices for similar assets or liabilities in active markets • quoted prices for identical or similar assets or liabilities in markets that are not active • inputs other than quoted prices that are observable for the asset or liability, for example ○ interest rates and yield curves observable at commonly quoted intervals ○ implied volatilities ○ credit spreads • inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs'). The Group currently categorises its valuation of investments in money market funds, debt securities, and government gilts as Level 1. Level 1 valuations for money market funds, fixed income debt securities and government gilts reflect the fair value (the amount a third party would pay for the asset on the valuation date), and are obtained externally from observable market information. This valuation is consistent with the IFRS valuation. Cash and term deposits are held at amortised cost which is materially consistent with as fair value. This is in line with the IFRS valuation.
4. Investments in Participations	Participations are valued and accounted for using the adjusted net equity method for Solvency II purposes. This is different to the IFRS valuation which is based on an unadjusted IFRS net asset valuation – the differences therefore relate to the

	adjustments noted in these valuation policies. The impact of revaluation to the adjusted net equity method is a reduction of £13.3 million.
5. Loans and Mortgages	Loans and advances are measured at amortised cost. This is because the assets are held in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows which are solely payments of principal and interest on the principal amount outstanding. The amortised cost of loans and advances is a reasonable approximation of fair value. A provision for expected credit losses in line with IFRS 9 requirements is recognised in relation to the amortised cost balance.
12. Deferred tax assets	Refer to Deferred Tax Liabilities section (D.2).
6. Reinsurance Recoverables	Refer to Technical Provisions section (D.3).
7. Receivables and other assets	The fair value of receivables is based on the amortised cost valuation, in line with Level 2 of the Fair Value hierarchy noted above. Due to the short-term nature of the receivables this amortised cost valuation approximates to fair value and therefore there are no valuation differences between IFRS and SII valuation.

D.2. Liabilities

Material Class	
9. Technical Provisions - best estimate	Refer to Technical Provisions section (D.3).
10. Technical Provisions - risk margin	Refer to Technical Provisions section (D.3).
11. Deposits from reinsurers	Deposits from reinsurers reflect amounts held in relation to reinsurance contracts. The balances are valued on a historic cost basis which is materially in line with their fair value due to the short term nature of the liabilities.
12. Deferred tax liabilities	The deferred tax liability in the Group Solvency II balance sheet reflects the net deferred tax liability on a Solvency II basis using the valuation rules within IAS 12. The total Group revaluation of (£61.1) million reflects the deferred tax impact of the revaluations made between IFRS and Solvency II in the other balance sheet line items, primarily the release of margin in the Technical Provisions and Profit Commission balances. The corresponding revaluation for AICL and AIGL is (£5.2) million and £0.6 million respectively. The IFRS deferred tax balance is a net deferred tax asset.
13. Other payables and liabilities	Other payables and liabilities primarily reflect other balances with co-insurers and reinsurers, not classified elsewhere and balances between the entities within the scope of the Solvency II Group and related participations. The balances are valued on an amortised cost basis which, due to the short term nature of other payables, is materially consistent with fair value; this valuation is the same as the IFRS valuation.
14. Subordinated liabilities	Subordinated liabilities reflects the Group's 10 year subordinated bonds. For Solvency II purposes it is included at fair value (excluding the impact of changes in Admiral's own credit quality). On an IFRS basis, it is held at amortised cost.

D.3. Technical provisions

Technical Provisions – Best Estimate

Best estimate technical provisions for Group and solo entity material lines of business are as follows:

2019 Best estimate technical provisions - Group

31-Dec-19	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	2,740.8	132.7	96.2	6.9	64.2	15.4	**3,056.2**
Recoverable from reinsurers	1,468.5	96.5	66.8	4.7	16.8	-	**1,653.3**
Net - Best Estimate	1,272.3	36.2	29.4	2.2	47.4	15.4	**1,402.9**

2019 Best estimate technical provisions – AICL

31-Dec-19	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	244.3	5.1	-	-	9.1	-	**258.5**
Recoverable from reinsurers	26.3	(0.2)	-	-	2.5	-	**28.6**
Net - Best Estimate	218.0	5.3	-	-	6.6	-	**229.9**

2019 Best estimate technical provisions - AIGL

31-Dec-19	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	2,053.4	45.3	96.2	6.9	55.1	15.4	**2,272.3**
Recoverable from reinsurers	1,150.1	49.3	66.8	4.7	14.4	-	**1,285.3**
Net - Best Estimate	903.3	(4.0)	29.4	2.2	40.7	15.4	**987.0**

Bases, Methods and Main Assumptions

Best estimate technical provisions are comprised of a claims provision and premium provision. The claims and premium provision combined give the expected cost of settling all future claims arising from business that the Group is contractually obliged to cover. This includes an allowance for the expenses of both running the company and of servicing claims such as claims handling staff costs. The allowance for future income is based on business already written, as well as business that has not yet incepted, but where the Group is obliged to offer cover i.e. renewals already offered or quoted (Bound But Not Incepted – BBNI).

The claims provision is the discounted best estimate of all future cash-flows relating to claim events which occurred prior to the valuation date. These cash-flows are made up of:

Outgoing cash-flows:

- Claim payments
    - Settling reported claims
    - Settling claims not yet reported
- Expenses
- ENID (Events not in Data) allowance

Minus Incoming cash-flows

- Future premiums, such as uncollected/overdue premium
- Reinsurance recoveries on all claims
    - with an allowance for reinsurance bad debt

The premium provision is the discounted best estimate of all future cash-flows relating to future claim events arising from policies that the insurer is obligated to cover at the valuation date. Again these cash-flows are made up of:

Outgoing cash-flows:

- Claim payments, including BBNI policies
- Expenses
- ENID (events not in data) allowance
- Reinsurance premium

Minus incoming cash-flows:

- Future premiums due on incepted business, from monthly premium payers, with an allowance for cancellations
- Future premiums due on new and renewal business, as well as from BBNI policies
- Reinsurance recoveries on all claims (with an allowance for reinsurance bad debt)
- Recoveries from future salvage and subrogation
- Income from reinsurers and co-insurers to cover a portion of the expense costs

Reinsurance Recoverables

Reinsurance recoveries are a significant element within the technical provisions. The reinsurance premium paid out, and recoveries received for both claims and expenses are required to be captured within the technical provisions, along with the possibility of default of the reinsurers leading to a reduction in potential recoveries.

The reinsurance recoverables within the Group Technical Provisions reflect the following contractual reinsurance arrangements that the Group has in place:

- Excess of loss reinsurance
- Quota share reinsurance

TECHNICAL PROVISIONS – RISK MARGIN

31-Dec-19	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Net Risk Margin - Group	79.1	2.3	1.8	0.1	1.8	1.0	**86.1**
Net Risk Margin - AICL	13.6	0.3	-	-	0.5	-	**14.4**
Net Risk Margin - AIGL	63.0	0.3	2.0	0.2	1.6	1.1	**68.2**

The risk margin is defined within Article 77 of the Directive as:

The risk margin shall be such as to ensure that the value of the technical provisions is equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligations.

The risk margin calculation uses the first simplification within the delegated acts, which is applied as follows:

- The one-year SCR is run off in line with the level of claims and premium provisions expected to remain at each year-end position
- The prescribed cost of capital of 6% is applied to each SCR

The SCRs are then discounted to the valuation date using the prescribed EIOPA yield curve.

Material Changes in Assumptions

Other than those changes that relate to the change in management's best estimate of the Ogden discount rate referenced earlier in this report, there have been no material changes in assumptions applied to the technical provisions during the period.

Key Uncertainties

There are many areas of uncertainty within the technical provisions. Estimation techniques are therefore used in the calculation of the ultimate cost of settling both claims that have occurred prior to the balance sheet date and remain unsettled at the balance sheet date and claims costs that will arise in relation to events that have not happened at the balance sheet date.

The projected ultimate cost of claims is calculated using a variety of different actuarial projection techniques (including incurred and paid chain ladder and an average cost of claim approach) to allow an actuarial assessment of their potential outcome. They include allowance for unreported claims.

The most significant sensitivity in the use of the projection techniques arises from any future step change in claims costs, which would cause future claim cost inflation to deviate from historic trends. This is most likely to arise from a change in the regulatory or judicial regime that leads to an increase in awards or legal costs for bodily injury claims that is significantly above or below the historical trend.

An example of this is the change in Ogden discount rate is discussed earlier in this report.

Reconciliation to IFRS Values

The best estimate Solvency II technical provisions for the Group and solo entities are lower than the equivalent provisions held on an IFRS basis for financial statement purposes.

This is primarily due to the following:

- Removal of margin held above best estimate in IFRS reserves, partially offset by the introduction of additional SII reserves for loss adjustment expenses, and Events Not in Data
- The SII approach to calculation of the premium provision (including the transfer of future premium cash-flows into technical provisions from other financial statement line items)
- The approach to discounting, with SII technical provisions being discounted using the EIOPA yield curve

The above disclosure is relevant for all lines of business as there are no specific transition adjustments recognised for individual lines. The overall impact of moving from an IFRS to a Solvency II basis is around £288.1 million excluding risk margin. The corresponding impacts for AICL and AIGL are £30.3 million and £4.0 million respectively.

The introduction of the SII risk margin reduces the net impact of the reduction in provisions on translation from IFRS to SII by £86.1 million. The corresponding SII risk margin for AICL and AIGL is £14.4 million and £68.2 million.

Adjustments and Simplifications

The Matching Adjustment has not been applied in the calculation of Technical Provisions at 31 December 2019.

In February 2017, the Group obtained approval to use the Volatility Adjustment ('VA') in the calculation of technical provisions for the Group and its regulated subsidiaries from the UK and Gibraltar regulators. The impact of applying the VA adjustment to the calculation of Group Technical Provisions (net of reinsurance recoverables) is a reduction in Own Funds of around £8.8 million (£20.9 million in 2018). The corresponding impact for AIGL is £7.7 million (2018: £17.8 million) and for AICL is £1.2 million. The VA adjustment was not applied for AICL at 31 December 2018, due to investment returns falling below the risk-free rate plus VA at this date.

The transitional risk-free interest rate term structure as per Article 308c of the Directive has not been applied in the calculation of Technical Provisions at 31 December 2019.

The transitional deduction as per Article 308d of the Directive has not been applied in the calculation of Technical Provisions at 31 December 2019.

D.4. Alternative methods of valuation

No alternative methods for valuation have been applied.

D.5. Any other information

None.

E. Capital Management (Audited)

Method of calculation of Group solvency

Group solvency is calculated as the ratio of Eligible Group Own Funds to the Group Solvency Capital Requirement.

Articles 230 and 233 of the Directive prescribe that one of the following methods must be used to calculate Group solvency:

- Method 1 – Standard method based on Consolidation of financial statements
- Method 2 – Alternative method based on a deduction and aggregation approach

The Group applies Method 1 for the calculation of Group solvency. The basis for the consolidation is a Solvency II Group consisting of the following entities:

Entity	Description
Admiral Group plc (Parent)	Insurance holding company
Admiral Insurance Company Limited	UK regulated insurance entity
Admiral Insurance (Gibraltar) Limited	Gibraltar regulated insurance entity
Admiral Europe Compañía de Seguros, S.A.	Spanish regulated insurance entity
Elephant Insurance Company	Third country insurance entity
EUI Limited	Ancillary services undertaking
Elephant Insurance Services Limited	Ancillary services undertaking
Admiral Intermediary Services, S.A.	Ancillary services undertaking

All remaining Group subsidiaries are included as strategic participation investments in the parent company.

E.1. Own funds

Capital management objectives

The Group manages its capital to ensure that all entities within the Group are able to continue as going concerns and also to ensure that regulated entities meet regulatory requirements with an appropriate margin. Excess capital above these levels within subsidiaries is paid up to the Group holding company in the form of dividends on a regular basis. Forward looking assessments of Capital are performed over a three-year planning horizon and are reported with the Group's annual ORSA process.

The Group's dividend policy is to pay 65% of post-tax profits as a normal dividend and to pay a further special dividend comprising earnings not required to be held in the Group for solvency or buffers. The strength of the Group's capital position at YE'19 allowed the Board to propose, and shareholders approve, a 2019 final dividend of 66.0 pence per share (£221.5 million), as follows:

- 56.3 pence per share representing a normal element, based on the dividend policy of distributing 65% of post-tax profits; and
- A special element of 20.7 pence per share.

This dividend has been deducted from Tier 1 Own Funds as noted in the following section. The payment date for the normal element of the dividend was 1 June 2020.

In April 2020, the Group announced that, despite maintaining a strong solvency and liquidity position, given the current economic uncertainty and the call for heightened prudence from regulators, it had amended its recommendation to shareholders with respect to the Group's final dividend for the year ended 31 December 2019. The normal dividend of 56.3 pence was unchanged (and subsequently approved by shareholders at the Group's AGM on 30 April 2020 and paid on 1 June 2020) but the special dividend of 20.7 pence per share was suspended.

The Board currently intends to pay this part of the final dividend in the second half of 2020, unless there is a significant deterioration in the Group's financial position, trading or outlook. Excluding the special dividend of 20.7 pence per share (£60 million), the Group's solvency ratio at 31 December 2019 would have been 9pts higher at 179% as follows.

31-Dec-19	Group
SCR	659.9
Eligible Own Funds adjusted for exclusion of H2'19 special dividend	1,179.5
Surplus	519.6
Adjusted Solvency Ratio	**179%**

Post year end dividends of £20.0 million for AICL and £50.0 million for AIGL were proposed and approved for payment to the group holding company. These dividends have been deducted from Tier 1 Own Funds as noted in the following section.

Classification of Own Funds by Tier

The classification of Own Funds for the Group and solo entities at 31 December 2019 is as follows:

	GROUP		AICL		AIGL	
31-Dec-19	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR
Ordinary Share Capital	0.3	0.3	37.3	37.3	0.1	0.1
Share Premium Account	13.1	13.1	-	-	14.9	14.9
Reconciliation Reserve	878.8	878.8	74.6	74.6	451.5	451.5
Own Funds from Other Financial Sectors	2.2	2.2	-	-	-	-
Tier 1 Own Funds	**894.4**	**894.4**	**111.9**	**111.9**	**466.5**	**466.5**
Subordinated Liabilities	225.1	225.1	-	-	-	-
Tier 2 Own Funds	**225.1**	**225.1**	**-**	**-**	**-**	**-**
Deferred tax assets	-	-	-	-	0.6	-
Tier 3 Own Funds	**-**	**-**	**-**	**-**	**0.6**	**-**
Total Basic Own Funds	**1,119.5**	**1,119.5**	**111.9**	**111.9**	**467.1**	**466.5**
Ancillary Own Funds	-	-	-	-	60.0	-
Total Available Own Funds	**1,119.5**	**1,119.5**	**111.9**	**111.9**	**527.1**	**466.5**

Total Eligible Own Funds	**1,119.5**	**931.5**	**111.9**	**111.9**	**527.1**	**466.5**

The equivalent classification at 31 December 2018 was as follows:

	GROUP		AICL		AIGL	
31-Dec-18	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR
Ordinary Share Capital	0.3	0.3	37.3	37.3	0.1	0.1
Share Premium Account	13.1	13.1	-	-	14.9	14.9
Reconciliation Reserve	783.9	783.9	118.0	118.0	402.6	402.6
Own Funds from Other Financial Sectors	0.2	0.2	-	-	-	-
Tier 1 Own Funds	**797.5**	**797.5**	**155.3**	**155.3**	**417.6**	**417.6**
Subordinated Liabilities	211.3	211.3	-	-	-	-
Tier 2 Own Funds	**211.3**	**211.3**	**-**	**-**	**-**	**-**
Total Basic Own Funds	**1,008.8**	**1,008.8**	**155.3**	**155.3**	**417.6**	**417.6**
Ancillary Own Funds	-	-	-	-	60.0	-
Total Available Own Funds	**1,008.8**	**1,008.8**	**155.3**	**155.3**	**477.6**	**417.6**
Total Eligible Own Funds	1,008.8	835.6	155.3	155.3	477.6	417.6

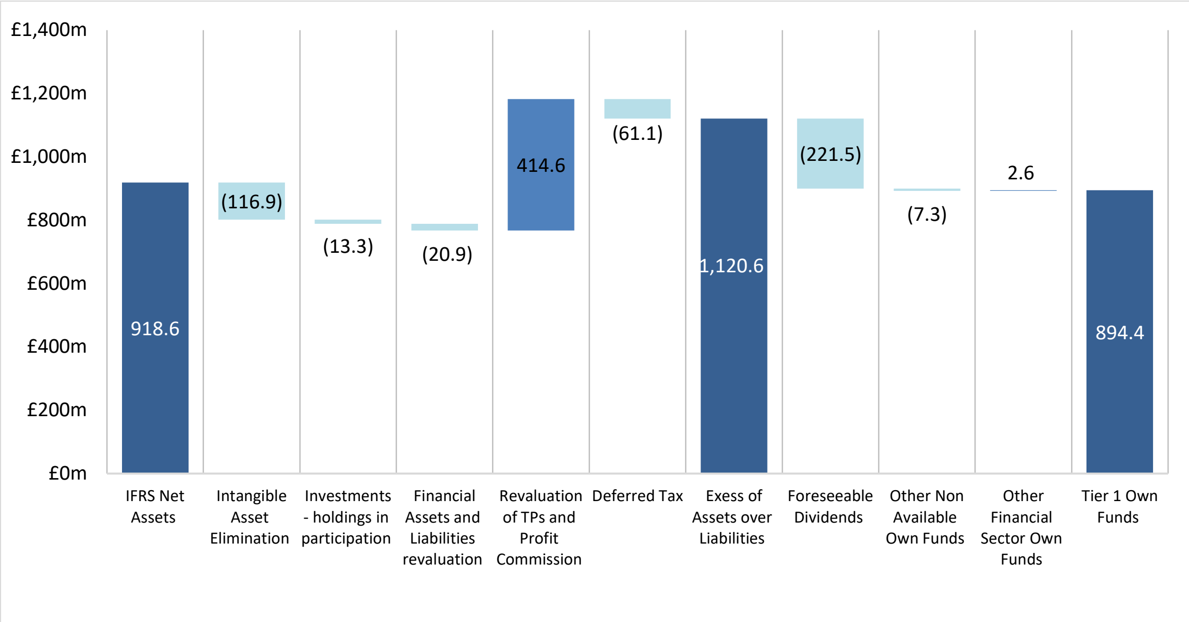
Movement in Own Funds

The main movements in Own Funds for Group, AICL and AIGL over the period are as follows:

	GROUP	AICL	AIGL
Own Funds as at 31-Dec-2018	**1,008.8**	**155.3**	**477.6**
Capital generation	498.2	26.6	129.5
Dividends	(401.3)	(70.0)	(80.0)
Valuation Movement – Subordinated Liabilities	13.8	-	-
Own Funds as at 31-Dec-2019	**1,119.5**	**111.9**	**527.1**

Tier 1 Own Funds

Tier 1 Own Funds consist of Ordinary Share Capital, Share Premium, the Reconciliation Reserve, which includes a deduction for foreseeable dividends, and Own Funds from Other Financial Sectors. Total Tier 1 Own Funds may be reconciled to the IFRS net assets and excess of assets over liabilities in the Solvency II balance sheet (as documented in Section D) as follows:

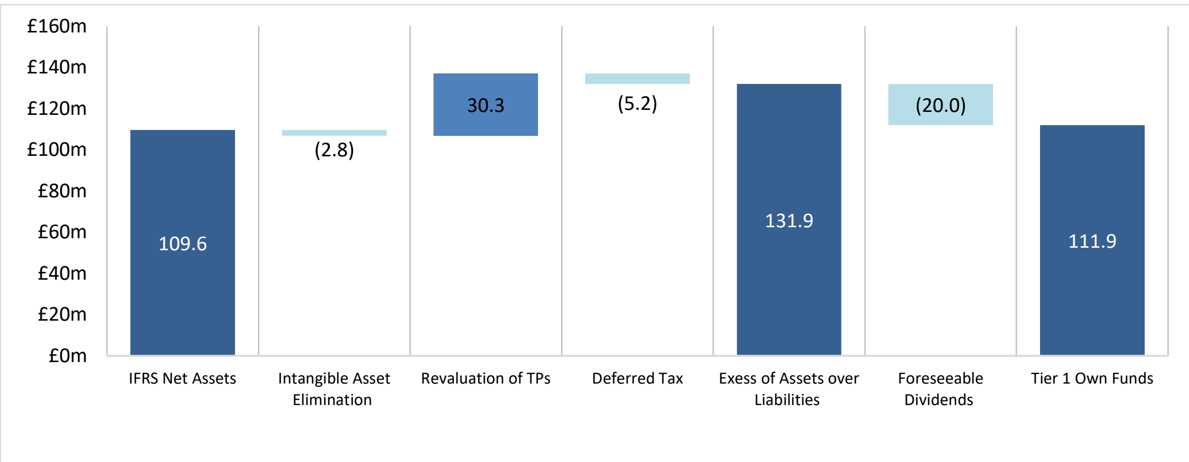


As noted in Section D, the primary valuation difference (£414.6 million) arises on the transition from net IFRS insurance liabilities and amounts due to and from co-insurers and reinsurers in relation to profit commission, to Solvency II technical provisions and profit commission balances. The majority of the change in deferred tax (-£61.1 million) relates to the additional liability that arises from the release of profit on the transfer to SII best estimate technical provisions and profit commissions.

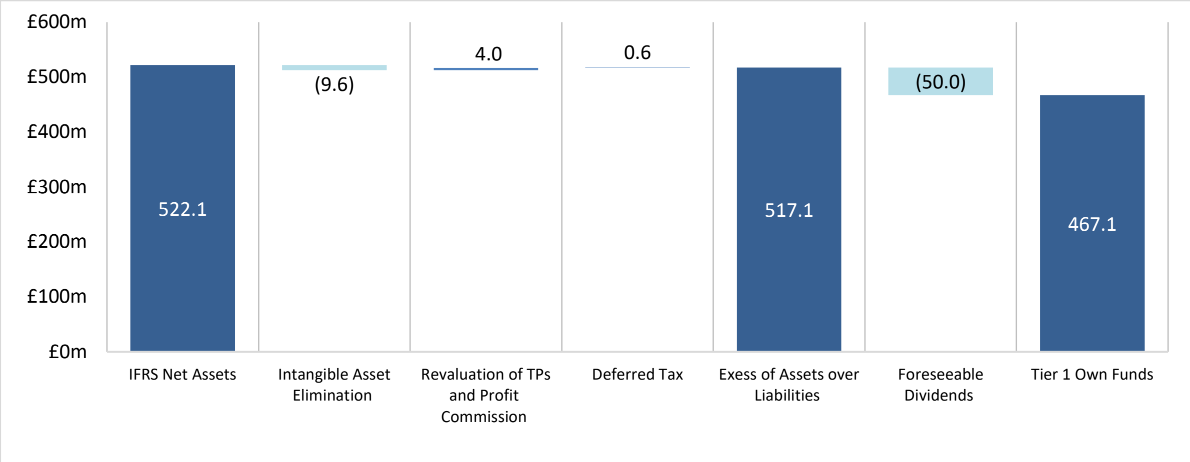
The other material adjustment is the elimination of the Group's intangible assets (goodwill, software and deferred acquisition costs) which, net of deferred instalment income, totals £116.9 million.

For both AICL and AIGL, the 'excess of assets over liabilities' is equivalent to Tier 1 Own Funds with the exception of the foreseeable dividends of £20.0 million and £50.0 million respectively. The reconciliations of IFRS Net Assets to the Solvency II excess of assets over liabilities are as follows:

2019 Reconciliation of IFRS Net Assets to Excess of assets over liabilities and Tier 1 Own Funds – AICL



2019 Reconciliation of IFRS Net Assets to Excess of assets over liabilities and Tier 1 Own Funds – AIGL



FUNGIBILITY AND TRANSFERABILITY OF GROUP OWN FUNDS

The Group has not identified any material restrictions to the fungibility and transferability of Group Own Funds.

Tier 2 Own Funds

Tier 2 Own Funds consist of subordinated liabilities in the form of the Group's 10 year dated, listed subordinated debt with a market value at the end of the current period of £225.1 million, an increase of £13.8 million compared with the previous reporting period. The debt was issued in July 2014 and matures in July 2024 and pays a fixed rate of interest of 5.5%. On issuance, the Group obtained confirmation from the UK regulator, the PRA that the debt qualifies as Solvency II Tier 2 Own Funds.

Tier 2 Own Funds for AIGL are Ancillary Own Funds and represent a £60.0 million Equity Commitment from the Group's parent company, Admiral Group plc. The commitment allows AIGL to call a capital contribution (up to a maximum of £60.0 million) from the Group parent, Admiral Group plc, during the term of the agreement without encumbrance.

The arrangement has no impact at Group level – there is no contingent liability in the parent company as the possibility of the commitment being called is considered to be remote. Furthermore, the Tier 2 intra-group capital that is created is eliminated on consolidation of the SII Group.

E.2. SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

CALCULATION OF THE GROUP CONSOLIDATED SOLVENCY CAPITAL REQUIREMENT

The Group Solvency Capital Requirement is calculated on the basis of consolidated data. The reported Solvency Capital Requirement as at 31 December 2019 and 31 December 2018 for Group, AICL and AIGL is as follows:

31-Dec-19	GROUP		AICL		AIGL	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Market Risk	135.3	86.7	14.6	23.3	72.1	60.6
Counterparty Risk	50.6	37.6	15.0	3.2	17.0	21.1
Life Underwriting Risk	5.0	3.1	0.7	0.5	4.3	2.7
Non-Life Underwriting Risk	397.3	378.3	74.0	81.8	246.9	243.3
Diversification	(109.0)	(76.2)	(16.6)	(16.6)	(56.8)	(50.9)
Basic SCR	**479.2**	**429.5**	**87.7**	**92.2**	**283.5**	**276.8**
Operational Risk	90.0	85.0	7.5	12.4	66.7	69.4
Loss absorbing capacity of deferred taxes	(19.9)	(24.3)	(11.5)	(13.5)	(8.4)	(10.6)
SCR excluding Capital Add-On and Other Financial Sectors	**549.3**	**490.2**	**83.7**	**91.1**	**341.8**	**335.6**
Capital Add-On	81.0	81.0	-	-	-	-
SCR for Other Financial Sectors (unaudited)	29.6	20.6	-	-	-	-
SCR	**659.9**	**591.8**	**83.7**	**91.1**	**341.8**	**335.6**

The calculation of SCR for AIGL applies Undertaking Specific Parameters (USPs) for both Non-Life Premium Risk and Non-Life Reserve Risk in respect of the Motor Vehicle Liability and Other Motor lines of business. The approval for the use of USPs was received from the Gibraltar Financial Services Commission in December 2015. The parameters are updated on an annual basis.

The Group Capital Add-On of £81.0 million was approved by the PRA in August 2017.

Movement in SCR

The solvency capital requirements for Group, AICL and AIGL have increased over the period. The increases are primarily related to growth of all the Group's insurance businesses, with non-life insurance risk reflecting the largest increases.

Solvency Ratio

When combined with the Eligible Own Funds, the resulting reported solvency positions are as follows:

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
SCR	659.9	591.8	83.7	91.1	341.8	335.6
Eligible Own Funds	1,119.5	1,008.8	111.9	155.3	527.1	477.6
Surplus	459.6	417.0	28.2	64.2	185.3	142.0
Solvency Ratio	**170%**	**170%**	**134%**	**170%**	**154%**	**142%**

Calculation of the Minimum Capital Requirement

The Group Minimum Capital Requirement at 31 December 2019 is £196.6 million. It is calculated in line with Article 230 of the Directive as the minimum of:

- The Minimum Capital Requirement, calculated for the Group as per Article 129 of the Directive; and
- The Group's proportional share of the MCR of the related undertakings

The Minimum Capital Requirement for the solo entities is calculated as per Article 129 of the Directive.

The coverage of Eligible Own Funds to MCR at 31 December 2019 is as follows:

31-Dec-19	GROUP		AICL		AIGL	
	2019	2018	2019	2018	2019	2018
MCR	196.6	191.4	32.4	41.0	119.8	130.2
Eligible Own Funds	931.5	835.6	111.9	155.3	466.5	417.6
Surplus	734.9	644.2	79.5	114.3	346.7	287.4
Ratio	**474%**	**437%**	**345%**	**379%**	**390%**	**321%**

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

The duration based equity sub-module has not been used in the calculation of the Solvency Capital Requirement.

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

Not applicable – no internal model has been used during the reporting period.

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

There have been no instances of non-compliance with the Minimum Capital Requirement or the Solvency Capital Requirement during the period.

E.6. Any other information

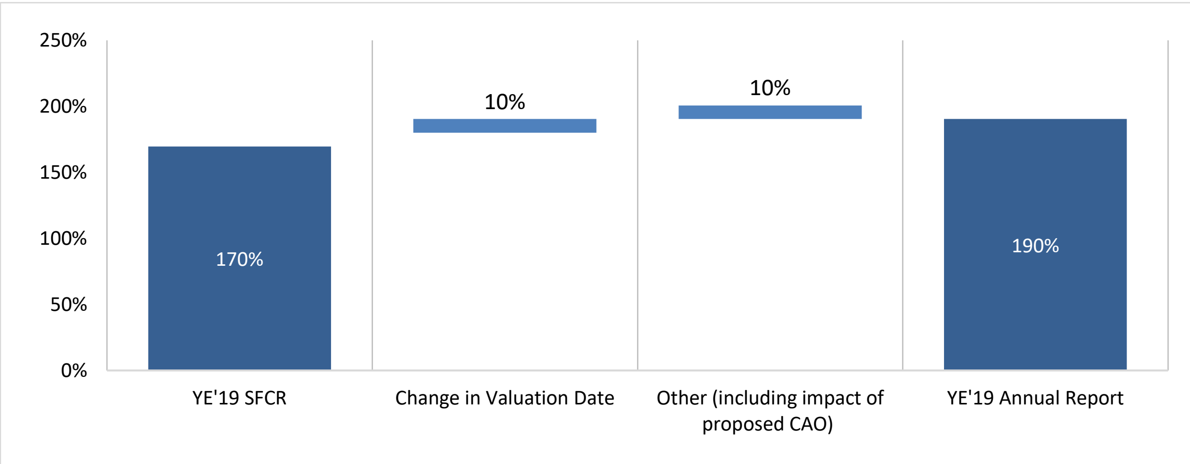
Treatment of Admiral Loans (unaudited)

Admiral's lending business (Admiral Loans) was in 2017 conducted out of the legal entity EUI Limited (EUI) which, through its primary function as insurance intermediary, was treated as an Ancillary Services Undertaking (ASU) within the Group Solvency II calculation. In 2018 the loans business was transferred to a separate legal entity known as Admiral Financial Services Limited (AFSL). Additionally, Seren One Limited (an SPE) was set up by the Group in relation to the Admiral loans business, whereby the Group has securitised certain loans by the transfer of the loans to the SPE. AFSL and Seren One are not Solvency II regulated entities and so are not consolidated in the Solvency II balance sheet but recognised as non-regulated undertakings carrying out financial activities within Own Funds of Other Financial Sectors. This forms part of the reconciliation from Excess of Assets over Liabilities to Eligible Own Funds.

Article 1(52) of the Delegated Regulation defines a 'non-regulated undertaking carrying out financial activities' as a non-regulated undertaking which carries out one or more of the activities referred to in Annex I of Directive 2013/36/EU. The contribution to the Group capital requirement is based on relevant sectoral rules and the Group has included a notional capital requirement of £29.6 million to reflect the risks associated with the loans business.

Reconciliation to previously reported Solvency Ratio (unaudited)

The Group solvency ratio presented in this report is different to the solvency ratio reported in the Group's annual report as it is prepared at a different valuation date and it excludes the impact of changes made arising from the reporting finalisation process. The chart below shows the impact of these moves:



	Description
Change in Valuation Date	The solvency ratio in this report excludes the projected growth in economic capital between the year end and the date of the Annual Report (which was previously reported).
Other (Including the impact of proposed CAO)	Other changes to both SCR and Own Funds calculations arising from the reporting finalisation process. This includes the impact of the proposed Capital Add-On (CAO). The solvency ratio reported in the Group's Annual Report reflected the draft revision to the Group CAO. This was reported as 'subject to regulatory approval' and 'unaudited'. The ratio reported in this SFCR reflects the previous CAO for which regulatory approval was in place at the valuation date. The proposed revision to the CAO has been approved through internal governance and requires formal notification from the PRA. This process is expected to be completed prior to the Group HY'20 interim results announcement and an update will be provided at this time.

APPENDIX 1 – ADDITIONAL INFORMATION ON THE COVID-19 GLOBAL PANDEMIC (UNAUDITED)

Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus. The outbreak was declared a Public Health Emergency of International Concern by the World Health Organisation on 30 January 2020. It was subsequently declared a global pandemic on 11 March 2020.

In response to the pandemic, Governments across the world have imposed lockdown measures in order to contain the spread of the outbreak – these measures include travel restrictions, business closures, cancellations of events and mass gatherings and the introduction of 'stay at home' regulations. At the date of this report, different countries are at varying stages of relaxation of lockdown restrictions, however it is expected that some element of restriction will be required for some time, with no imminent prospect of a vaccine.

The economic impacts of COVID-19 are expected to be severe, with economic downturns experienced by many countries, including those in which the Group has operations. Volatility in financial markets was significant early in the outbreak with the potential for further uncertainty despite relatively calm conditions during May and June 2020.

Both EIOPA and the Group's regulator, the PRA, consider COVID-19 to be a 'major development' that significantly affects the relevance of the information in the SFCR. The impacts of COVID-19 on the Group's businesses, systems of governance, risk profile, valuation for solvency purposes and capital management are set out in the following sections.

The figures presented in this report and the Quantitative Reporting Templates have been prepared based on conditions in existence at the 31 December 2019 reporting date, with COVID-19 treated as a non-adjusting event that arose after the end of the reporting period. This includes the Technical Provisions, where best estimate assumptions have not been updated for the subsequent impact of COVID-19, and as such are not listed as a material difference between Solvency II and financial statements prepared as at 31 December 2019. The PRA reported on 16 April 2020, that is has no objection to firms taking this approach.

Business and Performance

Information presented in Section A to this report reflects the performance of the Group's businesses in the year to 31 December 2019. The following paragraphs set out the most material expected impacts of COVID-19 on the Group's businesses through 2020 and beyond.

The Group's insurance businesses do not have direct exposure to COVID-19 related insurance claims, other than an immaterial exposure to travel insurance claims in the UK. The impact of travel claims, primarily arising as a result of cancelled trips is not expected to be significant to the insurer, AIGL or to the Group as a whole.

All of the Group's insurance businesses have remained operational during this period following significant operational efforts to ensure that employees are able to work remotely. Potential impacts arising from the pandemic are being assessed through regular updates to business planning scenarios, that consider varying levels of severity of lockdown restrictions and associated economic downturns. Robust stress testing has been performed and the Group and its insurers maintain strong solvency and liquidity positions above target levels and regulatory thresholds.

Outside of the Group's insurance businesses, the primary impacts on the Group's financial services business, Admiral Loans, are through its exposure to an elevated level of credit losses associated with the economic downturn and in particular increasing levels of unemployment. The Board of Admiral Financial Services Limited have considered the potential impacts of a range of potential economic scenarios, including stress tests arising from a more adverse or prolonged down-turn, on the net assets and liquidity position of the company, with the most severe scenarios having a material impact on the Group's balance sheet.

The impact of COVID-19 on the Group's price comparison businesses is not expected to be material to the Group's financial position or future performance.

System of Governance

The Group's system of governance continues to be operational following the implementation of business continuity plans, and the shift to remote working. Boards and Committees are receiving an increased level of reporting covering the operational and financial impacts of COVID-19 and operational changes have been subject to appropriate governance.

At the date of this report, a number of reviews are in progress that will provide assurance over the operational effectiveness of the Group's internal control system following the implementation of continuity plans.

Risk Profile

The impact of COVID-19 on the key risk types for the Group and solo entities AICL and AIGL, as well as the process for monitoring risks and the implementation of risk mitigation techniques is set out below. Risk sensitivities as reported in the Group's 2019 Annual Report, are set out in Section C to this report.

Underwriting risk

The Group and solo entity exposures to COVID-19, together with risk mitigations are as follows:

Non-life, motor:

The lockdown restrictions in all of the jurisdictions in which the Group writes motor insurance business have led to a reduction in the frequency of road accidents and claims. In the UK, in April 2020, the Group announced a premium rebate of £25 to all customers to reflect the period where customers were asked to stay at home and were therefore driving less. Other impacts include reductions in premium volumes during the lockdown period. Future premium volumes may also be impacted by the economic downturn, as well as the average settlement cost of claims.

The Group is taking appropriate mitigating steps with respect to these risks, including ensuring that there is sufficient capacity in the relevant operational areas in order to both sell, renew and service motor insurance policies and settle claims, and through relevant pricing actions.

Life, motor:

The Group and its solo entities are exposed to life insurance (annuities stemming from non-life insurance contracts) risks through the potential for large bodily injury claims to be settled by a periodic payment order (PPO). The economic downturn may result in future changes to the propensity for bodily injury claims to settle as a PPO, and also impact future assumptions in relation to the annuity inflation and discounting.

Non-life, other:

The Group and solo entity, AIGL, is exposed to an increased level of travel insurance claims due to travel cancellation, disruption or medical events arising from COVID-19. The Group utilises excess of loss reinsurance as risk mitigation and expects to make recoveries through this cover to partially offset the gross losses incurred. At the date of this report, travel insurance claims incurred is not material to Group or AIGL's financial performance or position. Other actions have been taken to limit exposure arising from new and renewed business through pricing actions, changes to policy coverage and withdrawal of products.

Other lines of business written by the Group include property risks and other less material classes. Whilst risks relating to future premium volumes and the cost of claims are similar to those noted above for motor, any impacts are not expected to be material to the Group or the solo entities.

Market risk

The initial impact of financial market volatility through the COVID-19 crisis to date was significant, with the main impacts on Admiral arising from widening credit spreads on the valuation of the Group's fixed-income portfolio. A reduction in risk free yields has also reduced the level of discounting benefit in the Group and solo entity technical provisions, though the impact is partially mitigated by the offsetting movements in asset values and the use of the volatility adjusted yield curve, which reflects the widening in credit spreads noted above. The sensitivity of the Group's solvency ratio to both spread and interest rate movements is shown in Section C.

The Group is monitoring market movements and the resulting impact on balance sheets on a regular basis, with regular review by the Group's Investment Committee. The Group's Asset Managers monitor underlying exposures on a daily basis and if necessary recommend changes to the portfolio to manage and mitigate risk.

Counterparty Default risk

The Group continues to monitor the credit quality of counterparties including banks, reinsurers and policyholders in order to identify increases in default risk. No significant changes in the level of default risk for the Group or solo entities have been identified to date.

Liquidity Risk

The Group is closely monitoring liquidity at both the parent company and individual entity level. The consideration of liquidity at the parent company level ensures that the Group has sufficient liquid resources to support all underlying operations, and consideration at the entity level ensures that it has sufficient liquid resources to meet requirements.

The Group has significant liquidity at both the parent company and solo entity levels, and robust scenario testing demonstrates that liquidity at the parent company level remains above target levels even in severe scenarios.

In April 2020, the Group announced that, given the current economic uncertainty and the call for heightened prudence from regulators, it had amended its recommendation to shareholders with respect to the Group's final dividend for the year ended 31 December 2019. The normal dividend of 56.3 pence was unchanged (and subsequently approved by shareholders at the Group's AGM on 30 April 2020 and paid on 1 June 2020) but the special dividend of 20.7 pence per share was suspended. The Board currently intends to pay this part of the final dividend in the second half of 2020 unless there is a significant deterioration in the Group's financial position, trading or outlook.

Operational risk

The Group is exposed to an increased level of operational risk through the implementation of business continuity plans, including the shift to remote working, the impact on employees of COVID-19, including childcare responsibilities and possible sickness absence, and through outsourcing arrangements.

Notables impacts include:

- Increased IT, information security, data protection and privacy risks as a result of rollout of new and enhanced hard and software in order to support remote working capacity
- Increased people risks, including physical and mental health risks during the pandemic and through returning to work
- Regulatory risks, including those related to customers, and in particular the increase in vulnerable customers that is likely to arise during the pandemic
- Strategic risks, including the impact on Group projects, and product developments and enhancements

The Group is adjusting processes and controls in order to manage the increased level of operational risk and is regularly reporting these changes through its Risk Management Committees.

Valuation for Solvency Purposes

At the date of this report, the primary impacts of COVID-19 on the Group's and solo entity Solvency II balance sheets are as follows:

- Investments – the global financial market volatility noted above results in impacts on the valuation of financial assets, primarily the Group's fixed-income portfolio, which are recognised at fair value in the SII balance sheet. In particular, widening credit spreads have resulted in reductions in asset values, partially offset by the impact of the reduction in risk-free yields.
- Technical Provisions – as noted above, the technical provisions included in this report are prepared based on conditions and best estimate assumptions in place at the 31 December 2019 reporting date. Post-year end technical provisions are impacted by:
  - Changes in discounting benefit arising from changes in the volatility-adjusted yield curve
  - Changes arising from the reduction in motor insurance claims during the lockdown periods
  - Changes arising from the increase in frequency of travel insurance claims
  - Changes arising to the premium provision both in relation to the projection of future premium volumes and where relevant motor premium rebates offered to customers

- Changes in the assumptions relating the cost of incurred claims

The Group and solo entities continue to review and refine best estimate assumptions used in the calculation of technical provisions in 2020.

Capital management

The Own Funds, Solvency Capital Requirement and solvency ratio of the Group and solo entities are monitored on an on-going basis using proxy models and simplified calculations. The Group and solo entities continue to maintain strong solvency positions, with solvency ratios above target levels.

The Group's Risk Committee has reviewed robust solvency stress testing and has discussed a range of management actions available to the Group should it need to improve its solvency position or the solvency position of one of the Group's subsidiaries.

APPENDIX 2 – GLOSSARY

Term	Definition
Accident year	The year in which an accident occurs, also referred to as the earned basis.
Actuarial best estimate	The probability-weighted average of all future claims and cost scenarios calculated using historical data, actuarial methods and judgement.
ASHE	'Annual Survey of Hours and Earnings' – a statistical index that is typically used for calculation inflation of annual payment amounts under Periodic Payment Order (PPO) claims settlements.
Claims reserves	A monetary amount set aside for the future payment of incurred claims that have not yet been settled, thus representing a balance sheet liability.
Co-insurance	An arrangement in which two or more insurance companies agree to underwrite insurance business on a specified portfolio in specified proportions. Each co-insurer is directly liable to the policyholder for their proportional share.
Commutation	An agreement between a ceding insurer and the reinsurer that provides for the valuation, payment, and complete discharge of all obligations between the parties under a particular reinsurance contract.
Insurance market cycle	The tendency for the insurance market to swing between highs and lows of profitability over time, with the potential to influence premium rates (also known as the "underwriting cycle").
Net claims	The cost of claims incurred in the period, less any claims costs recovered under reinsurance contracts. It includes both claims payments and movements in claims reserves.
Net insurance premium revenue	Also referred to as net earned premium. The element of premium, less reinsurance premium, earned in the period.
Ogden discount rate	The discount rate used in calculation of personal injury claims settlements. The rate is set by the Lord Chancellor, the most recent rate of minus 0.25% being announced in 2019.
Periodic Payment Order (PPO)	A compensation award as part of a claims settlement that involves making a series of annual payments to a claimant over their remaining life to cover the costs of the care they will require.
Premium	A series of payments are made by the policyholder, typically monthly or annually, for part of or all of the duration of the contract. Written premium refers to the total amount the policyholder has contracted for, whereas earned premium refers to the recognition of this premium over the life of the contract.
Profit commission	A clause found in some reinsurance and coinsurance agreements that provides for profit sharing.
Reinsurance	Contractual arrangements whereby the Group transfers part or all of the insurance risk accepted to another insurer. This can be on a quota share basis (a percentage share of premiums, claims and expenses) or an excess of loss basis (full reinsurance for claims over an agreed value).
Securitisation	The process by which a group of assets, usually loans, is aggregated into a pool, which is used to back the issuance of new securities. A company transfer assets to a special purpose entity (SPE) which then issues securities backed by the assets.
Special Purpose Entity (SPE)	An entity that is created to accomplish a narrow and well-defined objective. There are specific restrictions or limitations around ongoing activities. The Group uses an SPE set up under a securitisation programme.
Ultimate loss ratio	The projected ratio for a particular accident year or underwriting year, often used in the calculation of underwriting profit and profit commission.
Underwriting year	The year in which the policy was incepted.
Underwriting year basis	Also referred to as the written basis. Claims incurred are allocated to the calendar year in which the policy was underwritten. Underwriting year basis results relate to the 2015 underwriting year, are calculated on the whole account (including co-insurance and reinsurance shares) and include all premiums, claims, expenses incurred and other revenue (for example instalment income and commission income relating to the sale of products that are ancillary to the main insurance policy) relating to policies incepting in the relevant underwriting year.
Written/Earned basis	A policy can be written in one calendar year but earned over a subsequent calendar year.

Appendix 3 – Quantitative Reporting Templates

The Group and its subsidiaries are required to disclose the following templates as set out in the Commission Implementing Regulation (EU) 2015/2452 of 2 December 2015 laying down implementing technical standards with regard to the procedures, formats and templates of the solvency and financial condition report in accordance with Directive 2009/138/EC of the European Parliament and of the Council:

Group	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.22.01.22	Impact of long term guarantees measures and transitionals
S.23.01.22	Own Funds
S.25.01.22	Solvency Capital Requirement – for Groups on standard formula
S.32.01.22	Undertakings in the scope of the Group

Admiral Insurance Company Limited (AICL)	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.12.01.02	Life and Health SLT technical provisions
S.17.01.02	Non-life technical provisions
S.19.01.21	Non- life insurance claims
S.22.01.21	Impact of long term guarantees measures and transitionals
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement – for undertakings on standard formula
S.28.01.01	Minimum Capital Requirement – only life or non-life insurance or reinsurance activity

Admiral Insurance (Gibraltar) Limited (AIGL)	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.12.01.02	Life and Health SLT technical provisions
S.17.01.02	Non-life technical provisions
S.19.01.21	Non- life insurance claims
S.22.01.21	Impact of long term guarantees measures and transitionals
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement – for undertakings on standard formula
S.28.01.01	Minimum Capital Requirement – only life or non-life insurance or reinsurance activity

Admiral Group Plc

Solvency and Financial Condition Report

Disclosures

31 December

2019

(Monetary amounts in GBP thousands)

General information

Participating undertaking name	Admiral Group Plc
Group identification code	213800FGVM7Z9EJB2685
Type of code of group	LEI
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2019
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.22.01.22 - Impact of long term guarantees measures and transitionals
S.23.01.22 - Own Funds
S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula
S.32.01.22 - Undertakings in the scope of the group

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	147,118
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	3,295,079
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	72,683
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	1,896,491
R0140	*Government Bonds*	293,741
R0150	*Corporate Bonds*	1,450,133
R0160	*Structured notes*	0
R0170	*Collateralised securities*	152,616
R0180	*Collective Investments Undertakings*	1,207,563
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	118,342
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	185,221
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	1,465
R0260	*Other loans and mortgages*	183,756
R0270	Reinsurance recoverables from:	1,653,277
R0280	*Non-life and health similar to non-life*	1,636,433
R0290	*Non-life excluding health*	1,636,433
R0300	*Health similar to non-life*	
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	16,845
R0320	*Health similar to life*	
R0330	*Life excluding health and index-linked and unit-linked*	16,845
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	299,845
R0370	Reinsurance receivables	51,268
R0380	Receivables (trade, not insurance)	63,847
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	189,160
R0420	Any other assets, not elsewhere shown	
R0500	**Total assets**	5,884,816

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	3,076,339
R0520	*Technical provisions - non-life (excluding health)*	3,076,339
R0530	*TP calculated as a whole*	
R0540	*Best Estimate*	2,992,033
R0550	*Risk margin*	84,306
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	
R0580	*Best Estimate*	
R0590	*Risk margin*	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	66,022
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	66,022
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	64,213
R0680	*Risk margin*	1,809
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	793,635
R0780	Deferred tax liabilities	63,246
R0790	Derivatives	167
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	20,000
R0820	Insurance & intermediaries payables	0
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	519,308
R0850	Subordinated liabilities	225,100
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	225,100
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	4,763,818
R1000	**Excess of assets over liabilities**	1,120,998

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				1,572,329	506,041		147,131	2,746			18,530	26,992					2,273,769
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				1,085,712	346,575		106,813	1,993			0	336					1,541,431
R0200	Net				486,616	159,466		40,317	752			18,530	26,656					732,338
	Premiums earned																	
R0210	Gross - Direct Business				1,524,130	493,783		134,224	2,505			17,832	25,957					2,198,431
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				1,051,434	337,712		97,693	1,823			0	336					1,489,000
R0300	Net				472,696	156,070		36,531	682			17,832	25,621					709,431
	Claims incurred																	
R0310	Gross - Direct Business				1,102,449	286,097		86,057	1,606			8,257	16,033					1,500,500
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				876,236	225,112		60,827	1,135			0	0					1,163,311
R0400	Net				226,213	60,985		25,230	471			8,257	16,033					337,189
	Changes in other technical provisions																	
R0410	Gross - Direct Business																	0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net				0	0		0	0			0	0					0
R0550	**Expenses incurred**				115,687	31,639		10,570	197			0	6,193					164,287
R1200	**Other expenses**																	0
R1300	**Total expenses**																	164,287

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						3,121			3,121
R1620	Reinsurers' share						1,559			1,559
R1700	Net						1,561		0	1,561
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						864		0	864
R2500	**Other expenses**									
R2600	**Total expenses**									864

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010			US	IT	ES	FR		
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	1,725,231	223,386	171,457	61,029	92,666		2,273,769
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	1,176,879	149,799	101,868	43,869	69,017		1,541,431
R0200	Net	548,352	73,588	69,589	17,160	23,649		732,338
	Premiums earned							
R0210	Gross - Direct Business	1,678,092	222,809	159,343	57,395	80,792		2,198,431
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	1,144,817	149,414	94,176	41,139	59,455		1,489,000
R0300	Net	533,276	73,395	65,167	16,256	21,337		709,431
	Claims incurred							
R0310	Gross - Direct Business	1,064,323	181,841	146,417	42,861	58,560		1,494,001
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	862,983	121,499	101,240	30,136	40,922		1,156,779
R0400	Net	201,340	60,342	45,177	12,725	17,637		337,222
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0		0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share	0	0	0	0	0		0
R0500	Net	0	0	0	0	0		0
R0550	**Expenses incurred**	102,461	29,302	16,400	8,035	8,089		164,287
R1200	**Other expenses**							
R1300	**Total expenses**							164,287

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400			US	IT	ES	FR		
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0	0	0	0	0		0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0	0	0	0	0		0
	Claims incurred							
R1610	Gross	3,121	0	0	0	0		3,121
R1620	Reinsurers' share	1,559	0	0	0	0		1,559
R1700	Net	1,561	0	0	0	0		1,561
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0	0	0	0	0		0
R1900	**Expenses incurred**	864						864
R2500	**Other expenses**							
R2600	**Total expenses**							864

S.22.01.22

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	Technical provisions	3,142,361	0	0	16,866	0
R0020	Basic own funds	1,117,295	0	0	-8,846	0
R0050	Eligible own funds to meet Solvency Capital Requirement	1,119,545	0	0	-8,846	0
R0090	Solvency Capital Requirement	659,889	0	0	14,515	0

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Own Funds

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	294	294		0	
R0020	*Non-available called but not paid in ordinary share capital at group level*	0				
R0030	Share premium account related to ordinary share capital	13,145	13,145		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
R0060	*Non-available subordinated mutual member accounts at group level*	0				
R0070	Surplus funds	0	0			
R0080	*Non-available surplus funds at group level*	0	0			
R0090	Preference shares	0		0	0	0
R0100	*Non-available preference shares at group level*	0				
R0110	Share premium account related to preference shares	0		0	0	0
R0120	*Non-available share premium account related to preference shares at group level*	0				
R0130	Reconciliation reserve	878,756	878,756			
R0140	Subordinated liabilities	225,100		0	225,100	0
R0150	*Non-available subordinated liabilities at group level*	0				
R0160	An amount equal to the value of net deferred tax assets	0				0
R0170	*The amount equal to the value of net deferred tax assets not available at the group level*	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	*Non available own funds related to other own funds items approved by supervisory authority*	0				
R0200	Minority interests (if not reported as part of a specific own fund item)	0				
R0210	*Non-available minority interests at group level*	0				
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**					
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 by using D&A when a combination of methods is used	0				
R0270	**Total of non-available own fund items**	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	1,117,295	892,195	0	225,100	0
	Ancillary own funds					
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 at group level	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
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 entities carrying out financial activities	2,250	2,250			
R0440	**Total own funds of other financial sectors**	2,250	2,250	0	0	0

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Own Funds

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0				
R0460	Own funds aggregated when using the D&A and combination of method net of IGT	0				
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	1,117,295	892,195	0	225,100	0
R0530	Total available own funds to meet the minimum consolidated group SCR	1,117,295	892,195	0	225,100	
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	1,117,295	892,195	0	225,100	0
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)	931,514	892,195	0	39,319	
R0610	**Minimum consolidated Group SCR**	196,597				
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	473.82%				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	1,119,545	894,445	0	225,100	0
R0680	**Group SCR**	659,889				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	169.66%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	1,120,998
R0710	Own shares (held directly and indirectly)	
R0720	Forseeable dividends, distributions and charges	221,500
R0730	Other basic own fund items	13,439
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0750	Other non available own funds	7,303
R0760	**Reconciliation reserve**	878,756
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	39,542
R0790	**Total Expected profits included in future premiums (EPIFP)**	39,542

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Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	135,298		
R0020	Counterparty default risk	50,609		
R0030	Life underwriting risk	4,990		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	397,290		
R0060	Diversification	-109,020		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	479,167		

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	90,050
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-19,942
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	549,276
R0210	Capital add-ons already set	81,000
R0220	**Solvency capital requirement for undertakings under consolidated method**	630,276
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
R0470	Minimum consolidated group solvency capital requirement	196,597
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	29,614
R0510	*Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies*	0
R0520	*Institutions for occupational retirement provisions*	0
R0530	*Capital requirement for non- regulated entities carrying out financial activities*	29,614
R0540	Capital requirement for non-controlled participation requirements	0
R0550	Capital requirement for residual undertakings	0
	Overall SCR	
R0560	SCR for undertakings included via D&A	0
R0570	**Solvency capital requirement**	659,889

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Undertakings in the scope of the group

Row	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
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	GB	213800FGVM7Z9EJB2685	LEI	Admiral Group plc (Group)	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority
2	GB	213800QUKWO9N6CT2J31	LEI	Admiral Insurance Company Limited	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority
3	GI	2138003FZ569I9YPG680	LEI	Admiral Insurance (Gibraltar Limited)	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Services Comission
4	US	2138001MLQW5AEJISF95	LEI	Elephant Insurance Company LLC	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Va Bureau of Insurance and NAIC
5	ES	959800M6LM4PWZTSFZ59	LEI	Admiral Europe Compania de Seguros, S.A.	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Dirección General de Seguros y Fondos de
6	GB	213800ALB9B7LCZLU632	LEI	EUI Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
7	ES	959800CFNDUR8GYTHA39	LEI	Admiral Intermediary Services S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Dirección General de Seguros y Fondos de
8	US	213800FGVM7Z9EJB2685US000	Specific code	Elephant Insurance Services LLC	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
9	GB	213800YFYGNSP6U1EB10	LEI	Admiral Financial Services Limited	Non-regulated undertaking carrying out financial activities as defined in Article 1 (52) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
10	GB	635400MLJ3ANUPJFSN18	LEI	Seren One Limited	Non-regulated undertaking carrying out financial activities as defined in Article 1 (52) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
11	GB	213800FGVM7Z9EJB2685GB000	Specific code	Able Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
12	GB	213800FGVM7Z9EJB2685GB000	Specific code	Admiral Law Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
13	GB	213800FGVM7Z9EJB2685GB000	Specific code	BDE Law Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
14	US	213800FGVM7Z9EJB2685US000	Specific code	Compare.com Insurance Agency LLC	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
15	ES	213800FGVM7Z9EJB2685ES000	Specific code	Rastreator Comparador Correduria De Seguros S.L.	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
16	GB	213800FGVM7Z9EJB2685UK000	Specific code	Penguin Portals Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
17	US	213800FGVM7Z9EJB2685US000	Specific code	Grove General Agency Inc	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
18	US	213800FGVM7Z9EJB2685US000	Specific code	Inspop USA LLC	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
19	US	213800FGVM7Z9EJB2685US000	Specific code	Platinum General Agency Inc	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
20	GB	213800FGVM7Z9EJB2685GB000	Specific code	Inspop.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
21	GB	213800FGVM7Z9EJB2685GB000	Specific code	Rastreator.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
22	GB	213800FGVM7Z9EJB2685GB000	Specific code	Admiral Life Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
23	GB	213800FGVM7Z9EJB2685GB000	Specific code	Admiral Syndicate Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
24	GB	213800FGVM7Z9EJB2685GB000	Specific code	Admiral Syndicate Management Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
25	GB	213800FGVM7Z9EJB2685GB000	Specific code	Bell Direct Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
26	GB	213800FGVM7Z9EJB2685GB000	Specific code	Confused.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
27	GB	213800FGVM7Z9EJB2685GB000	Specific code	Diamond Motor Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
28	GB	213800FGVM7Z9EJB2685GB000	Specific code	Elephant Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	

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Undertakings in the scope of the group

Row	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	% 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
				Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Row	C0010	C0020	C0030	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	GB	213800FGVM7Z9EJB2685	LEI	100.00%	100.00%	100.00%				Included in the scope		Method 1: Full consolidation
2	GB	213800QUKWO9N6CT2J31	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
3	GI	2138003FZ569I9YPG680	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
4	US	2138001MLQW5AEJISF95	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
5	ES	959800M6LM4PWZTSFZ59	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
6	GB	213800ALB9B7LCZLU632	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
7	ES	959800CFNDUR8GYTHA39	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
8	US	213800FGVM7Z9EJB2685US000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
9	GB	213800YFYGNSP6U1EB10	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
10	GB	635400MLJ3ANUPJFSN18	LEI	0.00%	100.00%	0.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
11	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
12	GB	213800FGVM7Z9EJB2685GB000	Specific code	95.00%	95.00%	95.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
13	GB	213800FGVM7Z9EJB2685GB000	Specific code	95.00%	95.00%	95.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
14	US	213800FGVM7Z9EJB2685US000	Specific code	59.25%	59.25%	59.25%		Dominant		Included in the scope		Method 1: Adjusted equity method
15	ES	213800FGVM7Z9EJB2685ES000	Specific code	75.00%	75.00%	75.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
16	GB	213800FGVM7Z9EJB2685UK000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
17	US	213800FGVM7Z9EJB2685US000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
18	US	213800FGVM7Z9EJB2685US000	Specific code	59.25%	59.25%	59.25%		Dominant		Included in the scope		Method 1: Adjusted equity method
19	US	213800FGVM7Z9EJB2685US000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
20	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
21	GB	213800FGVM7Z9EJB2685GB000	Specific code	75.00%	75.00%	75.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
22	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
23	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
24	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
25	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
26	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
27	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
28	GB	213800FGVM7Z9EJB2685GB000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method

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Undertakings in the scope of the group

Row	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
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
29	GB	213800FGVM7Z9EJB2685GB000	Specific code	Preminen Price Comparison Holdings Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
30	GB	213800FGVM7Z9EJB2685GB000	Specific code	Preminen Dragon Price Comparison Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
31	MX	213800FGVM7Z9EJB2685MX000	Specific code	Preminen Mexico Sociedad Anonima de Capital Var	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
32	TR	213800FGVM7Z9EJB2685TR000	Specific code	Preminen Online Fiyat Karsilastirma Hizmetleri An	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
33	TR	213800FGVM7Z9EJB2685TR000	Specific code	Preminen Sigorta Brokerlik Anonim Sirketi	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
34	FR	213800FGVM7Z9EJB2685FR000	Specific code	LeLynx SAS	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
35	IN	213800FGVM7Z9EJB2685IN0002	Specific code	Preminen Price Comparison India Private Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
36	CH	213800FGVM7Z9EJB2685CH000	Specific code	Long Yu Science and Technology (Beijing) Co., Ltd	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	

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Undertakings in the scope of the group

Row	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Criteria of influence: % capital share	Criteria of influence: % used for the establishment of consolidated accounts	Criteria of influence: % voting rights	Criteria of influence: Other criteria	Criteria of influence: Level of influence	Criteria of influence: Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: YES/NO	Inclusion in the scope of Group supervision: Date of decision if art. 214 is applied	Group solvency calculation: Method used and under method 1, treatment of the undertaking
Row	C0010	C0020	C0030	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
29	GB	213800FGVM7Z9EJB2685GB000	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
30	GB	213800FGVM7Z9EJB2685GB000	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
31	MX	213800FGVM7Z9EJB2685MX000	Specific code	51.25%	51.25%	51.25%		Dominant		Included in the scope		Method 1: Adjusted equity method
32	TR	213800FGVM7Z9EJB2685TR000	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
33	TR	213800FGVM7Z9EJB2685TR000	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
34	FR	213800FGVM7Z9EJB2685FR000	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
35	IN	213800FGVM7Z9EJB2685IN0002	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
36	CH	213800FGVM7Z9EJB2685CH000	Specific code	20.25%	20.25%	20.25%		Dominant		Included in the scope		Method 1: Adjusted equity method

Admiral Insurance Company Limited

Solvency and Financial Condition Report

Disclosures

31 December

2019

(Monetary amounts in GBP thousands)

General information

Undertaking name	Admiral Insurance Company Limited
Undertaking identification code	213800QUKWO9N6CT2J31
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2019
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.12.01.02 - Life and Health SLT Technical Provisions
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.22.01.21 - Impact of long term guarantees measures and transitionals
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	309,644
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	210,383
R0140	*Government Bonds*	35,246
R0150	*Corporate Bonds*	173,931
R0160	*Structured notes*	0
R0170	*Collateralised securities*	1,206
R0180	*Collective Investments Undertakings*	69,261
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	30,000
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	28,587
R0280	*Non-life and health similar to non-life*	26,094
R0290	*Non-life excluding health*	26,094
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	2,493
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	2,493
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	0
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	88,438
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	10,215
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	436,885

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	263,322
R0520	*Technical provisions - non-life (excluding health)*	263,322
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	249,414
R0550	*Risk margin*	13,907
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	9,578
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP 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)*	9,578
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	9,072
R0680	*Risk margin*	506
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	5,976
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	3,653
R0830	Reinsurance payables	2,120
R0840	Payables (trade, not insurance)	20,328
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	304,976
R1000	**Excess of assets over liabilities**	131,908

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				121,039	30,227												151,266
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				2,532	632												3,164
R0200	Net				118,507	29,595												148,102
	Premiums earned																	
R0210	Gross - Direct Business				118,723	30,080												148,803
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				2,507	635												3,142
R0300	Net				116,217	29,445												145,661
	Claims incurred																	
R0310	Gross - Direct Business				66,820	19,273												86,094
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				-240	-69												-310
R0400	Net				67,061	19,342												86,403
	Changes in other technical provisions																	
R0410	Gross - Direct Business																	0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net				0	0												0
R0550	**Expenses incurred**				23,525	5,875												29,400
R1200	**Other expenses**																	
R1300	**Total expenses**																	29,400

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						2,932			2,932
R1620	Reinsurers' share						1,308			1,308
R1700	Net						1,625		0	1,625
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						38		0	38
R2500	**Other expenses**									
R2600	**Total expenses**									38

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010								
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	151,266						151,266
R0120	Gross - Proportional reinsurance accepted	0						0
R0130	Gross - Non-proportional reinsurance accepted	0						0
R0140	Reinsurers' share	3,164						3,164
R0200	Net	148,102						148,102
	Premiums earned							
R0210	Gross - Direct Business	148,803						148,803
R0220	Gross - Proportional reinsurance accepted	0						0
R0230	Gross - Non-proportional reinsurance accepted	0						0
R0240	Reinsurers' share	3,142						3,142
R0300	Net	145,661						145,661
	Claims incurred							
R0310	Gross - Direct Business	86,094						86,094
R0320	Gross - Proportional reinsurance accepted	0						0
R0330	Gross - Non-proportional reinsurance accepted	0						0
R0340	Reinsurers' share	-310						-310
R0400	Net	86,403						86,403
	Changes in other technical provisions							
R0410	Gross - Direct Business	0						0
R0420	Gross - Proportional reinsurance accepted	0						0
R0430	Gross - Non-proportional reinsurance accepted	0						0
R0440	Reinsurers' share	0						0
R0500	Net	0						0
R0550	**Expenses incurred**	29,400						29,400
R1200	**Other expenses**							
R1300	**Total expenses**							29,400

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400								
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0						0
R1420	Reinsurers' share	0						0
R1500	Net	0						0
	Premiums earned							
R1510	Gross	0						0
R1520	Reinsurers' share	0						0
R1600	Net	0						0
	Claims incurred							
R1610	Gross	2,932						2,932
R1620	Reinsurers' share	1,308						1,308
R1700	Net	1,625						1,625
	Changes in other technical provisions							
R1710	Gross	0						0
R1720	Reinsurers' share	0						0
R1800	Net	0						0
R1900	**Expenses incurred**	38						38
R2500	**Other expenses**							
R2600	**Total expenses**							38

S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees					Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
R0010	**Technical provisions calculated as a whole**										0						
R0020	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole										0						
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**								9,072		9,072						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								2,493		2,493						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re								6,579		6,579						
R0100	**Risk margin**								506		506						
	Amount of the transitional on Technical Provisions																
R0110	Technical Provisions calculated as a whole										0						
R0120	Best estimate										0						
R0130	Risk margin										0						
R0200	**Technical provisions - total**								9,578		9,578						

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	**Technical provisions calculated as a whole**				0	0												0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross				33,442	10,375												43,818
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				504	-248												255
R0150	**Net Best Estimate of Premium Provisions**				32,939	10,624												43,562
	Claims provisions																	
R0160	Gross				210,892	-5,295												205,597
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				25,839	0												25,838
R0250	**Net Best Estimate of Claims Provisions**				185,053	-5,295												179,758
R0260	**Total best estimate - gross**				244,334	5,080												249,414
R0270	**Total best estimate - net**				217,992	5,329												223,320
R0280	**Risk margin**				13,576	332												13,907
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin																	0
R0320	**Technical provisions - total**				257,910	5,412												263,322
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**				26,342	-248												26,094
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**				231,567	5,660												237,228

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020	Accident year / underwriting year	Underwriting Year

Gross Claims Paid (non-cumulative)
(absolute amount)

	Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
		Development year											In Current year	Sum of years (cumulative)
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											338	338	338
R0160	2010	12,392	25,888	6,191	4,725	2,858	1,487	558	515	274	602		602	55,490
R0170	2011	16,629	29,949	7,643	4,672	2,919	3,406	1,195	743	73			73	67,230
R0180	2012	16,396	28,082	8,254	4,393	3,664	1,852	1,828	971				971	65,440
R0190	2013	13,664	27,934	9,669	6,354	3,548	2,924	5,591					5,591	69,684
R0200	2014	15,028	30,441	10,851	6,151	6,802	4,211						4,211	73,484
R0210	2015	15,085	30,715	8,235	4,995	4,847							4,847	63,877
R0220	2016	18,559	33,236	7,860	5,494								5,494	65,149
R0230	2017	18,772	38,370	8,502									8,502	65,643
R0240	2018	23,069	42,048										42,048	65,116
R0250	2019	25,163											25,163	25,163
R0260												Total	97,840	616,616

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

	Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
		Development year											Year end (discounted data)
		0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											3,599	3,426
R0160	2010	0	0	0	0	0	0	4,608	3,934	3,816	2,107		2,053
R0170	2011	0	0	0	0	0	11,230	8,189	5,430	5,357			5,217
R0180	2012	0	0	0	0	15,498	11,101	9,138	2,385				2,579
R0190	2013	0	0	0	20,477	18,432	12,144	8,564					8,186
R0200	2014	0	0	34,173	31,416	18,998	14,032						13,397
R0210	2015	0	46,073	35,721	27,663	16,936							15,959
R0220	2016	35,344	53,555	40,201	26,996								25,442
R0230	2017	40,356	62,757	38,373									36,367
R0240	2018	47,553	54,511										52,092
R0250	2019	45,139											43,622
R0260												Total	208,339

S.22.01.21

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	**Technical provisions**	272,900	0	0	1,954	0
R0020	**Basic own funds**	111,908	0	0	-1,172	0
R0050	**Eligible own funds to meet Solvency Capital Requirement**	111,908	0	0	-1,172	0
R0090	**Solvency Capital Requirement**	83,658	0	0	1,431	0
R0100	**Eligible own funds to meet Minimum Capital Requirement**	111,908	0	0	-1,172	0
R0110	**Minimum Capital Requirement**	32,426	0	0	106	0

S.23.01.01

Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	**Total**	**Tier 1 unrestricted**	**Tier 1 restricted**	**Tier 2**	**Tier 3**
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	37,300	37,300		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	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	74,608	74,608			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
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**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	111,908	111,908	0	0	0
	Ancillary own funds					
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				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	111,908	111,908	0	0	0
R0510	Total available own funds to meet the MCR	111,908	111,908	0	0	
R0540	Total eligible own funds to meet the SCR	111,908	111,908	0	0	0
R0550	Total eligible own funds to meet the MCR	111,908	111,908	0	0	
R0580	**SCR**	83,658				
R0600	**MCR**	32,426				
R0620	**Ratio of Eligible own funds to SCR**	133.77%				
R0640	**Ratio of Eligible own funds to MCR**	345.11%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	131,908
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	20,000
R0730	Other basic own fund items	37,300
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	74,608
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	5,653
R0790	**Total Expected profits included in future premiums (EPIFP)**	5,653

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	14,617		
R0020	Counterparty default risk	14,978		
R0030	Life underwriting risk	694		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	73,980		
R0060	Diversification	-16,633		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	87,636		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	7,523
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-11,501
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	83,658
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	83,658
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

	Approach to tax rate	C0109
R0590	Approach based on average tax rate	0

	Calculation of loss absorbing capacity of deferred taxes	LAC DT
		C0130
R0640	LAC DT	0
R0650	LAC DT justified by reversion of deferred tax liabilities	0
R0660	LAC DT justified by reference to probable future taxable economic profit	0
R0670	LAC DT justified by carry back, current year	0
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	0

S.28.01.01

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

	Linear formula component for non-life insurance and reinsurance obligations	C0010
R0010	MCR_{NL} Result	32,288

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	217,992	118,507
R0060	Other motor insurance and proportional reinsurance	5,329	29,595
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	0	
R0090	General liability insurance and proportional reinsurance	0	
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MCR_{L} Result	138

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations	6,579	
R0250	Total capital at risk for all life (re)insurance obligations		

	Overall MCR calculation	C0070
R0300	Linear MCR	32,426
R0310	SCR	83,658
R0320	MCR cap	37,646
R0330	MCR floor	20,915
R0340	Combined MCR	32,426
R0350	Absolute floor of the MCR	2,153
R0400	**Minimum Capital Requirement**	32,426

Admiral Insurance Gibraltar Limited

Solvency and Financial Condition Report

Disclosures

31 December

2019

(Monetary amounts in GBP thousands)

General information

Undertaking name	Admiral Insurance Gibraltar Limited
Undertaking identification code	2138003FZ569I9YPG680
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GI
Language of reporting	en
Reporting reference date	31 December 2019
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.12.01.02 - Life and Health SLT Technical Provisions
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.22.01.21 - Impact of long term guarantees measures and transitionals
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	558
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,333,081
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	1,345,159
R0140	*Government Bonds*	83,852
R0150	*Corporate Bonds*	1,113,798
R0160	*Structured notes*	0
R0170	*Collateralised securities*	147,509
R0180	*Collective Investments Undertakings*	902,922
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	85,000
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	150,597
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	150,597
R0270	Reinsurance recoverables from:	1,285,266
R0280	*Non-life and health similar to non-life*	1,270,914
R0290	*Non-life excluding health*	1,270,914
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	14,351
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	14,351
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	62,153
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	22,048
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	13,033
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	3,866,735

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	2,283,737
R0520	*Technical provisions - non-life (excluding health)*	2,283,737
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	2,217,150
R0550	*Risk margin*	66,587
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	56,797
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP 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)*	56,797
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	55,141
R0680	*Risk margin*	1,656
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	831,474
R0780	Deferred tax liabilities	0
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	104,460
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	73,156
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	3,349,624
R1000	**Excess of assets over liabilities**	517,111

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				1,103,092	275,474		147,131	2,746			18,530	26,992					1,573,965
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				851,842	212,729		106,813	1,993			0	336					1,173,715
R0200	Net				251,250	62,744		40,317	752			18,530	26,656					400,250
	Premiums earned																	
R0210	Gross - Direct Business				1,076,122	272,649		134,224	2,505			17,832	25,957					1,529,289
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				831,222	210,600		97,693	1,823			0	336					1,141,675
R0300	Net				244,900	62,048		36,531	682			17,832	25,621					387,614
	Claims incurred																	
R0310	Gross - Direct Business				682,265	170,381		86,057	1,606			8,257	16,033					964,599
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				639,308	159,653		60,827	1,135			0	0					860,923
R0400	Net				42,957	10,728		25,230	471			8,257	16,033					103,676
	Changes in other technical provisions																	
R0410	Gross - Direct Business				0	0		0	0			0	0					0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share				0	0		0	0			0	0					0
R0500	Net				0	0		0	0			0	0					0
R0550	**Expenses incurred**				46,524	11,618		11,386	212			0	6,193					75,933
R1200	**Other expenses**																	
R1300	**Total expenses**																	75,933

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						20,318			20,318
R1620	Reinsurers' share						9,153			9,153
R1700	Net						11,165		0	11,165
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						307		0	307
R2500	**Other expenses**									
R2600	**Total expenses**									307

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010								
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	1,573,965	0	0				1,573,965
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	1,173,715	0	0				1,173,715
R0200	Net	400,250						400,250
	Premiums earned							
R0210	Gross - Direct Business	1,529,289	0	0				1,529,289
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	1,141,675	0	0				1,141,675
R0300	Net	387,614						387,614
	Claims incurred							
R0310	Gross - Direct Business	964,599	0	0				964,599
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	860,923	0	0				860,923
R0400	Net	103,676						103,676
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0					0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share	0	0					0
R0500	Net	0						0
R0550	**Expenses incurred**	75,933	0	0				75,933
R1200	**Other expenses**							
R1300	**Total expenses**							75,933

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400								
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0						0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0						0
	Claims incurred							
R1610	Gross	20,318						20,318
R1620	Reinsurers' share	9,153						9,153
R1700	Net	11,165						11,165
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0						0
R1900	**Expenses incurred**	307						307
R2500	**Other expenses**							
R2600	**Total expenses**							307

S.12.01.02

Life and Health SLT Technical Provisions

			Index-linked and unit-linked insurance			Other life insurance						Health insurance (direct business)				
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
R0010	**Technical provisions calculated as a whole**										0						
R0020	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole										0						
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**								55,141		55,141						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								14,351		14,351						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re								40,789		40,789						
R0100	**Risk margin**								1,656		1,656						
	Amount of the transitional on Technical Provisions																
R0110	Technical Provisions calculated as a whole										0						
R0120	Best estimate										0						
R0130	Risk margin										0						
R0200	**Technical provisions - total**								56,797		56,797						

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	**Technical provisions calculated as a whole**				0	0		0	0			0	0					0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross				294,517	86,462		36,475	2,054			3,560	1,186					424,254
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				228,721	65,922		24,972	1,276			0	0					320,891
R0150	**Net Best Estimate of Premium Provisions**				65,797	20,540		11,503	778			3,560	1,186					103,363
	Claims provisions																	
R0160	Gross				1,758,845	-41,188		59,771	4,854			4,158	6,457					1,792,896
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				921,407	-16,624		41,843	3,398			0	0					950,024
R0250	**Net Best Estimate of Claims Provisions**				837,438	-24,564		17,928	1,456			4,158	6,457					842,873
R0260	**Total best estimate - gross**				2,053,362	45,273		96,246	6,908			7,718	7,643					2,217,150
R0270	**Total best estimate - net**				903,234	-4,024		29,431	2,234			7,718	7,643					946,236
R0280	**Risk margin**				63,025	281		2,054	156			539	533					66,587
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole				0	0		0	0			0	0					0
R0300	Best estimate				0	0		0	0			0	0					0
R0310	Risk margin				0	0		0	0			0	0					0
R0320	**Technical provisions - total**				2,116,387	45,554		98,300	7,064			8,256	8,176					2,283,737
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**				1,150,128	49,297		66,815	4,674			0	0					1,270,914
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**				966,259	-3,743		31,485	2,390			8,256	8,176					1,012,823

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020	Accident year / underwriting year	Underwriting Year

Gross Claims Paid (non-cumulative)

(absolute amount)

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year	Development year											**In Current year**	**Sum of years (cumulative)**
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											2,004	2,004	2,004
R0160	2010	78,482	163,955	39,211	29,928	18,103	9,416	3,533	3,264	1,735	3,814		3,814	351,439
R0170	2011	116,401	209,645	53,502	32,703	20,436	23,842	8,366	5,203	510			510	470,608
R0180	2012	114,961	196,579	57,779	30,751	25,647	12,964	12,793	7,017				7,017	458,491
R0190	2013	100,830	187,424	59,785	39,872	21,747	20,197	19,277					19,277	449,133
R0200	2014	111,782	208,133	66,993	37,393	43,756	27,434						27,434	495,492
R0210	2015	117,515	235,089	61,174	34,692	32,874							32,874	481,344
R0220	2016	149,520	265,983	61,638	39,847								39,847	516,987
R0230	2017	183,420	385,584	86,747									86,747	655,752
R0240	2018	245,299	435,814										435,814	681,113
R0250	2019	264,430											264,430	264,430
R0260												**Total**	919,766	4,826,792

Gross Undiscounted Best Estimate Claims Provisions

(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Year	Development year											**Year end (discounted data)**
		0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											17,715	16,755
R0160	2010	0	0	0	0	0	0	-65	22,756	24,170	13,346		12,944
R0170	2011	0	0	0	0	0	-139	58,995	38,325	37,501			36,360
R0180	2012	0	0	0	0	-238	77,394	63,966	18,698				17,964
R0190	2013	0	0	0	1,192	131,608	91,476	59,045					55,148
R0200	2014	0	0	2,615	213,375	127,002	93,650						88,629
R0210	2015	0	7,905	254,757	191,243	120,499							112,803
R0220	2016	12,744	388,122	288,174	191,959								179,716
R0230	2017	369,037	571,158	342,030									323,118
R0240	2018	469,564	526,504										503,432
R0250	2019	456,982											442,286
R0260												**Total**	1,789,154

S.22.01.21

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	**Technical provisions**	2,340,534	0	0	14,912	0
R0020	**Basic own funds**	467,111	0	0	-7,674	0
R0050	**Eligible own funds to meet Solvency Capital Requirement**	527,111	0	0	-7,674	0
R0090	**Solvency Capital Requirement**	341,803	0	0	13,084	0
R0100	**Eligible own funds to meet Minimum Capital Requirement**	466,553	0	0	-7,116	0
R0110	**Minimum Capital Requirement**	119,758	0	0	563	0

S.23.01.01

Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	58	58		0	
R0030	Share premium account related to ordinary share capital	14,944	14,944		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	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	451,551	451,551			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	558				558
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
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**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	467,111	466,553	0	0	558
	Ancillary own funds					
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	60,000			60,000	
R0400	**Total ancillary own funds**	60,000			60,000	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	527,111	466,553	0	60,000	558
R0510	Total available own funds to meet the MCR	466,553	466,553	0	0	
R0540	Total eligible own funds to meet the SCR	527,111	466,553	0	60,000	558
R0550	Total eligible own funds to meet the MCR	466,553	466,553	0	0	
R0580	**SCR**	341,803				
R0600	**MCR**	119,758				
R0620	**Ratio of Eligible own funds to SCR**	154.21%				
R0640	**Ratio of Eligible own funds to MCR**	389.58%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	517,111
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	50,000
R0730	Other basic own fund items	15,560
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	451,551
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	37,996
R0790	**Total Expected profits included in future premiums (EPIFP)**	37,996

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Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	72,055		
R0020	Counterparty default risk	16,988		
R0030	Life underwriting risk	4,296		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	246,928		
R0060	Diversification	-56,776		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	283,490		

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	66,763
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-8,450
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	341,803
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	341,803
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

	Approach to tax rate	C0109
R0590	Approach based on average tax rate	0

	Calculation of loss absorbing capacity of deferred taxes	LAC DT
		C0130
R0640	LAC DT	0
R0650	LAC DT justified by reversion of deferred tax liabilities	0
R0660	LAC DT justified by reference to probable future taxable economic profit	0
R0670	LAC DT justified by carry back, current year	0
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	0

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

	Linear formula component for non-life insurance and reinsurance obligations	C0010
R0010	MCR_{NL} Result	118,901

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	**Net (of reinsurance) written premiums in the last 12 months**
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	903,234	251,250
R0060	Other motor insurance and proportional reinsurance	0	62,744
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	29,431	40,317
R0090	General liability insurance and proportional reinsurance	2,234	752
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	7,718	18,530
R0130	Miscellaneous financial loss insurance and proportional reinsurance	7,643	26,656
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MCR_{L} Result	857

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	**Net (of reinsurance/SPV) total capital at risk**
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations	40,789	
R0250	Total capital at risk for all life (re)insurance obligations		

	Overall MCR calculation	C0070
R0300	Linear MCR	119,758
R0310	SCR	341,803
R0320	MCR cap	153,811
R0330	MCR floor	85,451
R0340	Combined MCR	119,758
R0350	Absolute floor of the MCR	2,153
R0400	**Minimum Capital Requirement**	119,758