STATE STREET GLOBAL ADVISORS

Managed Pension Funds Limited

Solvency and Financial Condition Report ("SFCR")

as at 31 December 2023

STATE STREET GLOBAL ADVISORS

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Summary

Business model and strategy

Managed Pension Funds Limited ("MPFL" and "the Company") is a UK-based insurance company authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA. Its principal activity is to provide pooled investment management services to pension schemes and reinsurance platforms under unit-linked life insurance contracts. The Company's client base is predominantly in the UK.

The Company offers only unit-linked contracts that offer no investment or liquidity guarantees, and that pass investment and liquidity risk onto the policyholder. The Company outsources operational activities to State Street Global Advisors Limited ("SSGAL" or "SSGA UK") through an outsourced services agreement under which SSGAL is liable for losses resulting from this activity. SSGAL provides investment management, sales, marketing, administration and support services to the Company. The costs to the Company for the provision of these services are met out of the Company's fees charged to policyholders, plus any investment management fees deducted from specific funds less a retention amount due to MPFL. This retention is to enable the Company to meet its direct administrative expenses and to maintain a sufficient capital buffer so as to meet its regulatory obligations. The time horizon used by the Company for its business planning is rolling three years.

System of governance

MPFL has in place a system of governance designed to be fully compliant with Solvency II and the Senior Managers & Certification Regime, and appropriate to its business.

The Company has developed an Own Risk and Solvency Assessment ("ORSA") framework under the Solvency II rules to identify the risks and quantify their impact on the economic capital. In accordance with the UK regulation, Consolidated Solvency II Directive means 2009/138/EC (the "Directive") and Consolidated Solvency II Delegated Regulation means 2015/35 along with relevant technical standards as adopted by the UK (the "Regulation").

HM Treasury and the PRA are currently developing new prudential insurance regulation regime which when implemented will be known as "Solvency UK". A number of changes to the regulations were consulted on during 2023 most of which are due to come into force on 31 December 2024. However, a small number of changes came into effect at 31 December 2023 and have therefore been reflected in the Solvency II valuation at 31 December 2023. These changes include reforms to the risk margin calculation.

MPFL's board ("the Board") comprises a Non-Executive Chairman, one additional Non-Executive Director, and three further Executive Directors. It meets at least quarterly and has overall responsibility for the governance of the Company.

There are Audit and Nomination Committees to which the Board delegates certain responsibilities. The Board also delegates certain day-to-day management responsibilities of the Company to the MPFL Working Group ("Working Group"), which comprises representatives from areas including Product, Operations, Risk, Finance, Legal, Compliance, Sales and Marketing, and Investment.

The below key functions are also established to support the Board in carrying out its responsibilities.

- Risk management Function;
- Compliance Function;
- Internal Audit Function;
- Actuarial Function; and
- Investment Management Function.

In compliance with Solvency II and the PRA's Senior Managers & Certification Regime in December 2023, MPFL has policies and procedures in place to ensure that all persons in these capacities meet the requirements and this assertion is reviewed on an ongoing basis.

Key risks

MPFL is run on a risk-averse basis and writes only unit-linked pension business that offers no guarantees on performance to policyholders. The risks of MPFL unit-linked assets are borne by the policyholders as explained in the policyholder disclosures. Investment risk is absorbed by the policyholders, since they fully fund the sub-funds and the entire return or loss of the sub-funds accrue to the policyholders, less specified fees which compensate the investment manager, administrator, securities lending agent and custodian for their services.

In running the business and managing its investments, MPFL is exposed to the following risks in the Solvency II Standard Formula module:

- Operational Risk;
- Market Risk (including Interest Rate, Equity, Spread, Currency, and Concentration risk);
- Counterparty Default Risk; and
- Life Underwriting Risk.

Underwriting and investment performance

As explained above, MPFL writes only unit-linked pension business that offers no guarantees on performance to policyholders and therefore no traditional underwriting is required. As a result, the unit-linked assets and liabilities are closely matched.

The investment income from shareholder assets in the reporting period 2023 was £329,336 (2022: £96,841).

The tables below provide analysis of policyholder assets and the technical provisions it matches.

Assets held for unit-linked contracts

	2023 £'000	2022 £'000
At 1 January - Assets held for unit-linked contracts	31,713,977	35,765,473
Premiums written	5,029,066	4,750,106
Claims incurred	(2,567,007)	(4,751,063)
Investment return (net of all charges)	3,068,806	(4,050,539)
At 31 December - Assets held for unit-linked contracts	37,244,842	31,713,977

Inflow to policyholder funds was £5.0bn (2022: £4.8 bn) and the level of outflow was £2.6bn (2022: £4.8 bn). The driver of net inflows was passive funds split equally between equity and fixed income asset classes. The investment return of £3.1 billion was driven by equity passive funds. This resulted in an equivalent year-on-year increase in the value of unit-linked assets held to cover unit-linked liabilities. In 2022 the £4.1 billion investment loss resulted in a decrease of £4.1 billion in the value of assets held to cover unit linked liabilities.

Technical provisions

	2023 £'000	2022 £'000
Financial Statements technical provisions	37,244,842	31,713,977
Value of In-Force ("VIF")	(118)	(113)
Risk Margin	156	249
Solvency II technical provisions	37,244,880	31,714,113

Capital requirement and own funds structure

The company determines its own solvency needs using the Standard Formula. As per the MPFL Capital Management Policy, the Board has set a capital ratio in excess of 210%. The table below provides the capital requirement and own funds structure of MPFL.

	2023 £'000	2022 £'000
Ordinary share capital (gross of own shares)	5,000	5,000
Reconciliation Reserve after deductions	9,231	7,598
Total available own funds	14,231	12,598
Solvency capital requirement (SCR)	3,977	4,460
Minimum capital requirement (MCR)	3,495	3,445
Ratio of Eligible own funds to SCR	358%	282%
Ratio of Eligible own funds to MCR	407%	366%

The total available own funds are classified as Tier 1 unrestricted. This also equates to own funds available and eligible to meet the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR"). MPFL does not apply matching or volatility adjustments. Also, no transitional adjustments have been applied. The capital coverage increased in line with an increase in available own funds following increase of retention fee for 2023.

Throughout the reporting period, the Company has maintained eligible capital above its calculated SCR.

Significant business or other events

No other significant business changes or other events with material impact on the solvency and financial condition occurred over the reporting period.

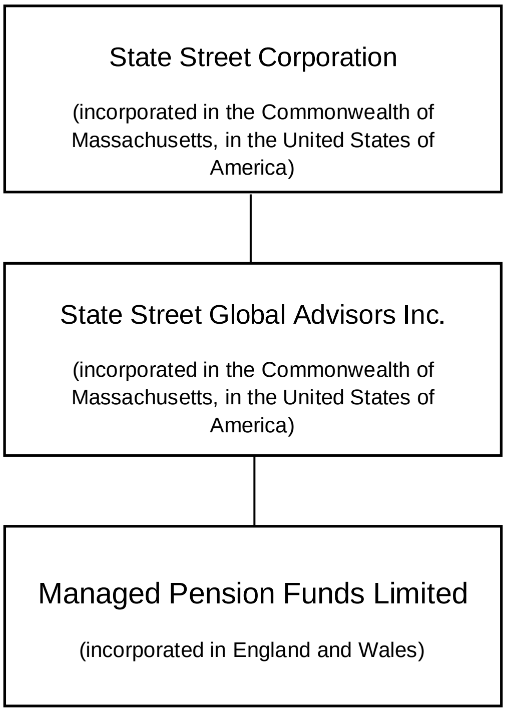
Section A: Business and Performance

A.1 Business

Company structure

MPFL is a wholly owned direct subsidiary of State Street Global Advisors Inc ("SSGA Inc."), which is wholly owned by State Street Corporation ("SSC"), the US-based parent company of the State Street financial services group (the "Group").

The Group organisational structure is as follows as at 31 December 2023:



The Company operates as an integrated part of the Group and has outsourced all investment management, client facing and back-office services to other Group companies through contractual agreements. The company has no employees.

Supervisory authority

MPFL's regulators are:

PRA, 20 Moorgate, London, EC2R 6DA; telephone 020 3461 7000.

FCA, 12 Endeavour Square, London, E20 1JN; Telephone 020 7066 1000.

SSGA Inc.'s regulators are:

Federal Deposit Insurance Corporation ("FDIC"), 550 17th Street, NW, Washington, DC 20429; telephone +1 877-275-3342.

Federal Reserve ("Fed"), 20th Street and Constitution Avenue NW, Mail Stop K-300, Washington, DC 20551; telephone +1 202-452-3000.

External auditor

MPFL's external auditor is: Ernst & Young LLP, 25 Churchill Place, London E14 5EY; telephone 020 7951 2000.

Actuarial Function

MPFL's Actuarial Function is performed by WTW, 51 Lime Street London, England EC3M 7DQ; telephone 0203 124 6000.

Significant business or other events

No significant business or other events occurred over the reporting period that had a material impact on MPFL.

A.2 Underwriting performance

MPFL writes only unit-linked pension business that offers no guarantees or otherwise provide any benefits beyond the return of assets under management. As a consequence, no traditional underwriting is required.

With regards to the unit-linked pensions business, the costs and rewards of investing are passed on to policyholders. The entire return or loss of the sub-funds accrue to the policyholders, less specified fees which compensate the investment manager, administrator, securities lending agent and custodian for their services. The unit-linked assets and liabilities are therefore closely matched. As MPFL does not undertake traditional underwriting activities, there is no quantitative information on current or previous underwriting performance to report.

A.3 Investment performance

MPFL outsources investment management and operational activities to SSGAL through an outsourced services agreement. The design of MPFL is as an investment vehicle. Though the legal form of organisation is as an insurance entity issuing policies to its policyholders, the payout under the policies is based solely on the returns of specified MPFL sub-funds that policyholders invest in, and which are managed in accordance with specified investment objectives.

The investment performance of the unit-linked funds has no direct impact on MPFL's performance, other than through the seed capital that MPFL places into new unit-linked funds. These seeding investments in equity and fixed interest securities represented 5.8% of MPFL own funds at 31 December 2023.

MPFL's shareholder assets are predominantly held in a highly rated liquid cash or near cash equivalent, SSGA Liquidity PLC SSGA GBP Liquidity Fund ("SSGA Liquidity Fund"), although, as noted above, shareholder assets may also be used to seed new unit-linked funds from time to time, subject to limits approved by the Board.

MPFL's other financial investments accounted for at fair value through profit or loss generate realised gains and losses on disposal and interest receivable which is recognised in the income statement on an accrued basis and unrealised gains and losses representing the difference between carrying value of seeding investments at the balance sheet date and their purchase price.

The income from shareholder assets in the reporting period was £329,336 (2022: £96,841). The increase year- on-year is a result of increase in yield available on money market funds as compared to 2022.

There are no securitised investments.

A.4 Performance of other activities

MPFL retains a fee income upon collection of its policy charges and pays the remainder to SSGAL as investment management fees under an investment management agreement. The retention is to enable the Company to meet its day-to-day direct administrative expenses and maintain a sufficient capital buffer to meet its capital requirements.

The charge paid to SSGAL is intended to cover all the costs in relation to the Group outsourced activities.

MPFL's financial profile is not expected to change materially over the planning period.

The Company has no leasing arrangements in place.

A.5 Any other information

There is no other information regarding MPFL's business and performance to add as all relevant information has been provided.

Section B: System of Governance

B.1 General information on the system of governance

The Board is comprised of a non-executive chairman, one additional non-executive director and three executive directors. It meets at least quarterly, and its principal roles and responsibilities include:

- Setting (reviewing and amending as appropriate) the parameters of any delegations and any authorities to officers and staff engaged within the business and acting on behalf of the Company, including granting signing authorities and/or powers of attorney;
- Reviewing and ensuring the delineation of responsibilities for the Board and members of management of the Company, in particular lines of responsibility at the Company, immediate Parent and Group with respect to risk, compliance, legal, finance and audit;
- Overseeing, implementing and reviewing compliance with the Company's Articles of Association and corporate governance structure;
- Determining the goals and strategies of the Company in the context of the Group and Group strategy and overseeing their implementation;
- Reviewing and approving material new products and services and other business proposals relevant to the Company and its business;
- Ensuring that the Company has sufficient resources including capital and key and experienced staff for the business to meet its objectives and effectively manage risk;
- Considering the adequacy of all management information (and, where necessary requiring its enhancement) and reviewing, monitoring and, where applicable, approving standard reporting on the financial performance of the Company;
- Reviewing the risk appetite statement and monitoring Company performance with respect to risk concentration, liquidity and capital; and
- Modelling, fostering and monitoring the development of a sound culture within the Company and encouraging honest and ethical conduct by the Company and avoiding or appropriately managing conflicts of interest in accordance with the Group's Standard of Conduct and applicable law and regulation.

The Board has delegated certain responsibilities of the Company to a Nominations Committee and an Audit Committee.

The Board has delegated certain day-to-day management responsibilities of the Company to the Working Group, which comprises representatives from areas including Product, Operations, Risk, Finance, Legal, Compliance, Sales and Marketing, and Investment.

The **Working Group's** responsibilities include:

- All matters concerning the governance of MPFL;
- Reviewing periodic reporting and other applicable management information for MPFL, including key material risks, compliance, financial, operational or other relevant indicators and recommending or initiating remedial action where appropriate;
- Reviewing and monitoring major outsourcing arrangements that impact MPFL;
- Monitoring adherence to the risk appetite and risk tolerance established by MPFL. Reviewing the current risk exposures for MPFL in relation to the stated risk appetite and tolerance and recommending remedial action, where appropriate;
- Reviewing and approving Group policies that apply to MPFL and recommending revisions, where appropriate; reviewing significant exceptions or breaches to policies and guidelines impacting MPFL and initiating or recommending remedial action, where appropriate;
- Escalating significant matters to be reported to the Board; and
- Periodic review of the MPFL Management Responsibilities Matrix; monitoring the ongoing appropriateness of identified key functions, key function holders, Senior Manager Functions, and the allocation of prescribed responsibilities.

The Board delegates to the State Street Global Advisors Limited Senior Management Committee (the "SSGA UK SMC") oversight of the Company's corporate and fund governance, including those matters delegated by the Company to SSGAL. The Working Group and the SSGA UK SMC escalate significant matters to the Board as necessary, and report to the Board on their actions under this delegation on a regular basis.

There are various governance committees within the Group, which review and set policies and procedures for the entities operating within the UK and, as applicable, Europe or globally. These committees have responsibilities to the Board and to other Group entities. They are established to assist and support the Board in key strategic matters, review business activity and risks, and provide support in certain matters.

Roles and responsibilities of key functions

Risk Management Function

The Risk Management function assists the Board, Working Group and Audit Committee governing bodies within the Company in the effective operation of the risk management framework. The designated SMF4 has the responsibility of the Chief Risk Management function. The Chief Risk Management function reports to both the Board and the Working Group in relation to setting and controlling risk exposure.

The Chief Risk Management function conducts the following tasks as applicable to MPFL and detailed in the Risk Management Framework ("RMF"):

- Assisting the administrative, management or supervisory body and other functions in the effective operation of the risk management framework;
- Monitoring the risk management framework;
- Monitoring the general risk profile of the undertaking as a whole;
- Detailed reporting on risk exposures and advising the Working Group and the Board on risk management matters, including in relation to strategic affairs such as corporate strategy, mergers and acquisitions, and major projects and investments;
- Identifying and assessing emerging risks; and
- Working closely with the actuarial function holder.

Compliance Function

As required by Article 46 of the Solvency II Directive, and as part of its internal control system, MPFL has an independent Compliance Function that reports to both the Board and the Working Group on regulatory matters and findings from the execution of the Company's Compliance Oversight Programme ("COP"). As part of MPFL's COP, a risk assessment is carried out to assess quantitative and qualitative factors and risks faced by the business that are rated against both inherent and environmental factors. The Head of SSGA UK Compliance has been designated with the responsibility of performing the Compliance function for MPFL. The Head of SSGA UK Compliance reports to both the Board and the Working Group on all Compliance matters.

Internal Audit Function

In accordance with SUP 10C.6A.6 and Article 47 of Solvency II Directive, MPFL has an independent Internal Audit Function, whose remit enables them to assess the adequacy and effectiveness of MPFL's internal control system and the system of governance that is in place.

Internal Audit provides the following services:

- Establishing, implementing and maintaining an audit plan setting out the audit work to be undertaken, taking into account the Company's activities, system of governance and activities outsourced to other Group companies;
- Reporting the audit plan to the Audit Committee;
- Submitting a written report on its observations, management actions and an overall opinion at the project level;
- Validating the closure of issues based on the implementation of agreed management actions;
- Evaluating the adequacy and effectiveness of MPFL's internal control system and other elements of the system of governance; and

- Conduct special reviews, provide business control consulting services and participate in due diligence work as requested by management, the SSC Examination & Audit Committee or the Board of Directors.
- As SMF5, the Head of Internal Audit or their delegate attends MPFL's Audit Committee and Board meetings at such times as required. State Street Corporations Board of Directors and Audit Committee receive copies of all audit reports in relation to the provision of the internal audit services to MPFL. Group companies' management, related to outsourced MPFL activities, are required to prepare a corrective action plan to address issues raised in reviews of MPFL, where applicable.

Actuarial Function

MPFL has a Statement of Work in place with WTW for the provision of effective actuarial services to the business as set out in SUP 4.3 and Article 48 of the Solvency II Directive and supporting legislation.

The appointment requires the Chief Actuary, in his role as SMF20, to attend Audit Committee and quarterly Board meetings. The Chief Actuary has a fixed item on the agenda, providing updates to the Board on relevant matters impacting MPFL, any work currently being undertaken and makes recommendations on any issues impacting the business.

Investment Management Function

The Chief Executive provides oversight over the investment management function which delegates investment management by MPFL to SSGAL and provides regular reports to the Board.

Finance Function

In accordance with the requirements of SUP 10C.6A.3, the Finance function:

- Prepares a business plan that includes capital planning as part of the ORSA process, covering a three-year horizon;
- Monitors the adequacy of financial resources, including capital, following any significant changes to the business profile and strategy of MPFL and on a quarterly basis formally reports to the Board; ensures MPFL at all times meets its financial resources requirement and provides Financial Returns to the FCA and PRA on a timely basis; and
- Ensures that any breaches, or potential breaches, of the financial resources rules are notified to the Compliance Officer promptly.

The Chief Finance Function as SMF2 and Key Function holder ensures that the Board receives timely and accurate financial information in order for them to monitor the business effectively.

Material changes to system of governance

No material changes to the system of governance occurred during the reporting period.

Remuneration policy and practices

The Company has no employees, however MPFL's Board adopt an MPFL-specific remuneration policy that applies to the Board and those group employees providing services to MPFL under delegation agreements. In line with the Solvency II Regulation, the policy is designed to discourage excessive risk-taking and incorporates measures aimed at avoiding conflicts of interest. The MPFL Board also approves amendments to the MPFL remuneration policy.

Key Remuneration Principles are:

- The emphasis on total rewards, which means a focus on the total value of all components of pay packages (i.e., salary, benefits and incentive remuneration), rather than on the value of each one individually;
- Targeting the aggregate annual value of the Total Rewards Program to be competitive with business peers;
- Unequivocally supporting equal pay for work of equal value;
- Funding for the total rewards program is subject to affordability and is designed to be flexible based on corporate performance;
- Differentiating pay based on performance. Even in years when funding for the Total Rewards Program is constrained, the Group differentiates pay by individual in order to reward our highest performers;

- The alignment of employees' interests with shareholders' interests by deferring a portion of incentive remuneration at increasing percentages for employees with higher incentive remuneration awards, and delivery of a portion of incentive remuneration in equity-based vehicles with a higher proportion in equity for senior executives; and
- Having remuneration plans designed to comply with applicable regulations and related guidance, including aligning incentive remuneration with appropriate risk management principles. The Group provides incentives that are designed not to encourage unnecessary or excessive risk-taking. There are established process controls and oversight, including incorporation of risk-based metrics into incentive pool funding determinations and individual award decisions. In addition, executive incentive compensation plan awards include significant levels of deferred remuneration and equity-based remuneration, which are further subject to ex-ante and ex-post adjustments (malus forfeiture and clawback inclusive).

In jurisdictions such as the UK where a maximum ratio between fixed and variable remuneration exists, robust governance processes are in place to oversee compliance with such ratios. In the UK, these are the responsibility of the UK Remuneration Committee, and its primary duties are:

- the oversight of the process for identifying and determining the remuneration of UK Identified Staff;
- the oversight of decisions made by those with authority to determine the remuneration of UK Identified Staff; and
- holistic oversight of regional remuneration matters, with a view providing a central forum for consideration of issues and thereby enhancing consistency of approach across the Group in EMEA.

Employees of the Group providing the outsourced services are also offered the opportunity to participate in the Group flexible benefits. Most benefits are generally consistent across all job grades in a market, although sometimes benefits may vary by job grade or other factors based on prevailing market practices or applicable regulations. Benefits include, but are not limited to, retirement and savings plans as well as health, disability, death, and ancillary benefits which vary by location based upon market practice. The Group does not currently operate any discretionary pension schemes.

Additionally, MPFL has developed a methodology to identify individuals as Solvency II Staff who perform roles or conduct activities that can impact the risk profile of MPFL. The list of Solvency II Staff identified as a result of this process is approved by the MPFL Board of Directors.

All Solvency II Staff receive a detailed written communication including background information, MPFL's position and obligations, and the implications of being Solvency II Staff. The communication also outlines the prohibition on employing personal hedging strategies to undermine the risk alignment effects embedded in their remuneration arrangements.

A link is included in the communication to refer individuals to relevant guidance. All Solvency II Staff are required to acknowledge the communication and confirm receipt and understanding by completing an attestation.

Control Functions have reporting lines which are independent from the business units which they supervise and the global management for control functions is responsible for determining remuneration of control function staff, within overall Group guidelines. Funding for these employees is based on overall corporate results and not by reference to the business units which individual Control Function employees supervise to avoid potential conflicts of interest.

Material transactions

No material transactions were entered into during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the Board or Working Group.

Assessment of adequacy of system of governance

MPFL has in place a system of governance designed to be fully compliant with Solvency II and the Senior Managers & Certification Regime in December 2023 and appropriate to its business. As part of these obligations, MPFL is required to have in place a clear organisational structure and segregation of duties. These are set out in MPFL's Management's Responsibilities Matrix, which is owned by the Chief Executive and reviewed quarterly by the Working Group. MPFL also has in place permanent Risk Management, Compliance, Internal Audit and Actuarial functions. In addition, it also has in place a suite of policies relevant to its activities. These are reviewed at least annually. MPFL continues to review the adequacy of its systems of governance to ensure it continues to remain appropriate and proportionate to the activities of the business.

B.2 Fit and proper requirements

Under article 294(2) of the Solvency II Regulation and the PRA's Senior Managers & Certification Regime in December 2023, MPFL is obliged to ensure that all persons who run the organisation or have other key functions are fit and proper. MPFL has policies and procedures in place to ensure that all persons have both the skills and experience that meet the requirements deemed fit and proper. These assessments are made both prior to MPFL submitting any application for regulatory approval to the PRA and on an ongoing basis.

B.3 Risk management system including the Own Risk and Solvency Assessment

Risk management strategy and objectives

The key objectives of MPFL's risk management strategy are to:

- Fully comply with all applicable laws, regulations and corporate policies;
- Ensure MPFL's financial goals and key business performance metrics are consistent with acceptable levels of risk as agreed by the MPFL Board and defined in MPFL policies;
- Foster a culture of risk excellence that extends across MPFL and all of its activities, inclusive of the MPFL business, driving comprehensive risk mitigation techniques and ensuring that identification and escalation of potential risks represent a core responsibility at all levels.

MPFL's approach to risk management is documented in the RMF which includes:

- A clearly defined risk management strategy which is consistent with the overall business strategy;
- A clearly defined risk appetite and overall risk tolerance limits;
- A clearly defined decision-making process;
- Written policies that effectively ensure definition and categorisation of material risks by type to which MPFL is exposed, and the approved risk tolerance limits for each type of risk (i.e. risk appetite statement built into RMF); and
- Reporting procedures and processes that ensure that material risks are identified, managed, monitored, and reported, so as to avoid undue concentration of risk.

MPFL is also required to ensure that persons who hold key functions take into account the information reported within the RMF, as part of their decision-making process.

Risk management process

A key step in the risk management process is the identification of risks.

The Risk Identification ("RI") process leverages the Group Integrated Non-Financial Risk Assessment Standard ("INFRA") process. The INFRA is one of the Group's primary risk identification programs and establishes a common methodology and process for the identification, assessment and measurement of non-financial risks for the firm across all on- and off- balance sheet risk-taking activities, including credit, market, liquidity, interest rate, operational, fiduciary, business, reputation and regulatory risks. For MPFL, the RI is undertaken as part of the annual ORSA cycle. The primary output is a risk inventory that establishes the material risk exposures of MPFL. The framework for this process builds on other routine risk assessment and monitoring programmes.

MPFL follows the Group-approved programmes to identify the material risks of the business:

- The Integrated Non-Financial Risk Assessment Standard ("INFRA") process;
- Risk and Control Self-Assessment ("RCSA") - This is a structured workshop-based programme conducted on an annual basis for UK entities. The programme supports a business assessment of risks and controls used within business activities;
- Loss Event Management, including collection of internal, and monitoring of external, operational loss data and risk events. This provides important information to support the effective management and measurement of operational risk;
- Key Risk Indicators ("KRIs") - used to monitor the level and trend of the organisation's risk profile and adherence to risk appetite on at least a quarterly basis. The objective of KRIs reporting is to serve as an "early warning"

mechanism that allows managers to take proactive action to manage and mitigate risks as exposure changes. KRIs are a key component of MPFL's escalation process and communicate material exposures to the Board, Working Group and relevant committees; and

- New Business and Product Review and Approval ("NBPRA"). The primary focus of this process is to evaluate the risk inherent in new business and product proposals to the sponsoring business unit, other business units and Group; and new business or products are considered as part of the formulation of the Business Plan. Additionally any changes in the business profile (e.g. significant new business or products) are considered during the INFRA process.

Implementation and integration

Aligned to corporate policies, risks are monitored and challenged through MPFL's governance and committee structure. Responsibilities are allocated as follows:

The Board

- Reviews, challenges and approves the MPFL risk appetite;
- Monitors actual risk profile against risk appetite;
- Reviews MPFL's current risk exposures in relation to its stated risk appetite and tolerance, at least quarterly, and monitors remedial mitigating actions as appropriate and tracks to resolution; and
- Aligns with Group strategy and related risk appetite statements.

The Working Group

- Oversees the production of strategic plans and budgets incorporating MPFL's overall risk appetite;
- Drives risk awareness and understanding of risk appetite;
- Challenges proposals for metrics, limits and statements;
- Monitors business specific Risk Appetite Statement ("RAS") metrics, risk limits and KRIs on an on-going basis and escalate breaches to risk;
- Proactively manages mitigation actions agreed in the event of breaches; and
- Ensures risk appetite is considered in the development of new businesses and products.

ORSA process

MPFL undertakes an ORSA on at least an annual basis through the following process:

- Risk identification: Identification of the risks to which the Company is (or will be) exposed, taking into consideration its business model and the business environment in which it operates. Risk identification is performed by the Risk Management function according to all risk types included in SSC's risk taxonomies, and as required by the regulators. In performing the risk identification analysis, the Risk Management function is supported by all the business, support and governance functions according to their assigned responsibilities and activities;
- Risk Appetite: The risk appetite provides a clear articulation of MPFL's willingness and capacity to take on risk and MPFL's tolerance for loss or negative events. The definition and quantification of the MPFL's risk appetite is the responsibility of the Board; the Risk Management function provides guidance and recommendations. The Board approves a risk appetite for MPFL incorporating both quantitative aspects relating to minimum capital requirements, and qualitative aspects relating more broadly to compliance with internal and Solvency II requirements;
- Financial Projections: The purpose of financial projection is to outline the main components of the Statement of Financial Position and the Income Statement over the forecast period. Three-year financial projections, based on MPFL's approved Business Plan, are developed and used as the base case for the ORSA;
- Risk Quantification: Quantification of the internal capital for each measurable risk type recognised within the risk identification phase. The Standard Formula, as deemed appropriate, is used to define the methodology to quantify Pillar 2 risk types;
- Stress Testing: The vulnerability of the Company to exceptional but plausible adverse events is assessed. The Board owns the definition and parameterisation of the stress scenarios, in consideration with applicable Solvency

II requirements. The base case financial model is stressed using a range of severe single and combined stress scenarios to determine the profit and capital impact on MPFL, and to inform the quantification of Pillar 2 requirements;

- Aggregation of Capital Requirements: Capital requirements across the risk universe are aggregated to inform the capital adequacy assessment under the Standard Formula approach, where allowance for diversification benefits have been recognised;
- Capital Adequacy: Verification that the Company's total capital (i.e. its available financial resources) is adequate in terms of size and composition to cover all material risk types to which the Company is exposed. Capital requirements are compared to available resources to confirm that MPFL has adequate capital resources; and
- Preparation of ORSA Report, which is reviewed and challenged by the Actuarial function, Subject Matter Experts ("SMEs") and the Working Group and ultimately approved by the Board.

The ORSA is integrated into MPFL's risk management framework and decision-making processes as follows:

- The use of stress testing and scenario analysis are also incorporated within the Company's forecasting of revenues, costs, expected losses and potential regulatory capital requirements;
- Inclusion of ORSA impacts as a standing item on the Working Group and the Board agendas;
- Integration of an assessment of impacts on the future risk management or solvency of the Company into key business decisions such as the launching and seeding of new unit-linked funds;
- The ORSA workshops serve to engage business managers in the risk management processes and enhance risk awareness in the Company;
- The risk identification process has been embedded across the business through manager involvement in the process through meetings and workshops;
- The ORSA is used as a core input to the strategic decision making in the Company, in particular in the acquisition of new business;
- The existing risk identification methodology associated with NBPRA process, as well as other corporate procedures, considers the ORSA implication of any new initiative impacting the Company as a core input to the decision-making process; and
- Regular updates of the quantification of material risks in the ORSA are presented to the Board.
- All policy documentation associated with this ORSA is reviewed at least annually.

ORSA review and approval

As noted earlier in this section, the draft 2023 ORSA Report, based on Statement of Financial Position as at 31 December 2022 was reviewed and challenged by the Working Group as an integral part of the ORSA process, and the final ORSA Report was reviewed and approved by the Board on 30 November 2023.

Determination of own solvency needs

MPFL determines its own solvency needs using the Standard Formula.

Interaction between capital management activities and risk management system

The ORSA forms an integral part of the risk and capital management processes of MPFL. The Board uses the ORSA to maintain an effective link between the Company's risk profile and its capital, thus ensuring that MPFL has adequate capital to cover its risks and operate effectively within its capital framework. In particular, the Board reviews MPFL's capital adequacy as outlined in the ORSA at each Board meeting or more frequently as necessary, following any significant changes to the business profile and strategy of the Company.

B.4 Internal control system

Internal Control System

MPFL has internal control procedures and processes in place with clear designated lines of responsibility and reporting arrangements. The Company's internal control system ensures compliance with applicable laws and regulations and facilitates the identification of non-compliance risk and the assessment of the impact on MPFL of any changes to the legal and regulatory environment.

Compliance function

The Company has an independent Compliance Function that reports to both the Board and the Working Group on regulatory matters and findings from the execution of the Company's Compliance Oversight Programme.

B.5 Internal audit function

As noted earlier, MPFL has an independent Internal Audit Function provided by State Street Corporation for the provision of internal audit services. Their remit enables them to assess the adequacy and effectiveness of MPFL's internal control system, Information Technology ("IT") including cyber security robustness and the system of governance that is in place.

Internal Audit attends all MPFL's Audit Committee meetings and also its Board meetings at such other times as required. The Board and the Working Group determine what actions are to be taken with respect to each internal audit finding and recommendation, and ensure those actions are carried out. This function is independent and no conflict of interest arises for the persons carrying out the role.

B.6 Actuarial function

The services pertaining to Actuarial Function are rendered by WTW under a formal Statement of Work agreed with MPFL. The SSGA EMEA Chief Finance Officer is the SMF2 role holder who provides the internal oversight of the Actuarial Function.

The responsibilities of the Actuarial Function in MPFL cover:

- Coordination of the technical provisions;
- Data quality;
- Monitoring experience;
- Underwriting policy and reinsurance arrangements;
- Internal and external actuarial reporting; and
- Contributing to the risk management system.

Additionally, the Actuarial Function provides advice and an actuarial opinion on asset-liability valuation and matching, the current and prospective solvency position, stress and scenario tests for technical provisions and asset-liability management, and other forms of risk transfer or risk mitigation techniques for insurance risks.

The requirement to coordinate the calculation of the technical provisions can be summarised as the requirement for the Actuarial Function to provide an opinion on whether the technical provisions have been calculated in accordance with the Consolidated Solvency II Directive and Regulation, and to ensure any approximations and/or limitations have been addressed appropriately. The Actuarial Function is directly responsible for ensuring that the assumptions and methodologies used to value the unit-linked business are appropriate. The Actuarial Function is also responsible for reviewing the SCR.

The Actuarial Function assesses the consistency of the data used in the calculation of the technical provisions against the data quality standards as set out in the Solvency II Regulation and Implementing Technical Standards and Guidelines, in particular by assessing the adequacy of the data checks carried out by MPFL. The Actuarial Function carries out independent high-level checks on the information supplied to the Actuarial Function for consistency with MPFL's report and financial statements, including checks that the individual asset data supplied reconciles with the total non-unit and unit-linked funds and that any movements can be explained.

The Actuarial Function verifies the best estimate assumptions used in the calculation on the basis of an annual assessment of the expenses and charges on policies, based on actual experience and the information supplied by the Finance Function. External information on risk-free yields and inflation is expected to be updated on a quarterly basis.

Underwriting policy includes the terms on which new business is written; the Actuarial Function will advise on the impact on the technical provisions and the SCR of any material changes in the terms on which MPFL writes new business, including the introduction of any new products.

The Actuarial Function reports to the Board quarterly and promptly reports to the Working Group any issues arising, either from the information provided or through the work undertaken, that may have a material impact on the financial position of MPFL. The Actuarial Function also provides input to the Risk Management Function on the risks MPFL runs in so far as they may have a material impact on MPFL's ability to meet its liabilities to policyholders and on the capital needed to support the business, including regulatory capital requirements.

B.7 Outsourcing

An EMEA Outsourcing Policy exists, that is applicable to all UK businesses, legal entities and UK-based branches, and as such is inclusive of MPFL.

MPFL has appointed a UK senior manager who is responsible for oversight of the business lines' and corporate functions' portfolio of outsourced arrangements (the Outsourcing Oversight Manager); and in relation to services covered under an outsourcing arrangement, a UK Outsourcing Arrangement Owner for each arrangement who is responsible for ensuring correct documentation for each arrangement and ongoing oversight of each arrangement.

It has developed and implemented a programme to:

- Identify all internal and external arrangements that are categorised as material by the FCA;
- Ensure appropriate contractual agreements are in place;
- Ensure efficient oversight of outsourcing arrangements, including KRI metrics and reporting to the Working Group and the Board;
- Undertake annual outsourcing assessments of in-scope arrangements;
- Provide oversight of IT resilience initiatives underway in group entities.

The oversight of the outsourced operating model is the responsibility of the Board. The Board delegates to the SSGA UK SMC oversight of the Company's corporate and fund governance, including those matters delegated by the Company to State Street Global Advisors Limited. The Working Group and the SSGA UK SMC escalate significant matters to the Board as necessary, and report to the Board on their actions under this delegation on a regular basis.

B.8 Any other information

There is no other material information regarding MPFL's system of governance to add.

Section C: Risk Profile

C.1 Operational risk

This risk is defined as the risk of errors or omissions arising from inadequate or failed internal processes with the potential for financial, reputational or franchise harm. MPFL recognises that performance of investment servicing and investment management activities have intrinsic operational execution risk that cannot be managed to zero.

Operational execution risk is addressed by identifying, collecting and analysing operational risk data; utilising the data to quantify its operational risk exposure and by implementing a comprehensive operational risk management and governance structure. The Company seeks to ensure this risk is managed to a level consistent with achieving its strategic, financial and operational objectives with the goal of having an effectively designed and well-controlled operating environment within its established appetite.

Further, the Group companies provide operational services to MPFL. These services are governed by arm’s length agreements which require the service provider to make good any operational losses on behalf of an MPFL policyholders or an MPFL fund, arising from its negligence of the service provider, willful default, fraud, or in respect of SSGAL, consequential losses. These services include an IT component which address IT resilience and cyber security. The oversight of all outsourced functions is the responsibility of the Board.

The operational risk capital requirement is determined as 25% of expenses incurred during the year. Fluctuations in the MPFL AUM impact the SCR calculation in two ways by increases/decreases in:

- Management fees remitted to SSGAL (fees remitted to SSGAL are considered as “expenses” for MPFL); and
- Fund Investment expenses.

The Pillar 1 capital requirement for this risk, calculated using the Standard Formula, as at 31 December 2023 was £3.91m (2022: £4.25 m). There were no material changes over the reporting period.

C.2 Market risk

Market risk arising on the unit-linked funds is borne by policyholders, as explained in policyholders’ disclosures. Market risk for MPFL relates primarily to price fluctuations in the funds where its shareholder assets are placed. As at 31 December 2023, MPFL has £0.83m (2022: £0.77m) of seed money invested in various unit-linked funds and £11.40m (2022: £10.88 m) invested in SSGA Liquidity Fund. The seed money is placed in a range of sub-funds with exposure to, for example, equities and liquidity funds. Therefore, MPFL seed capital is exposed to the impact of changes in unit values of linked assets invested in equity funds. Seed money is removed from the funds if not required.

The holdings in funds in currencies other than GBP amounted to £0.52m triggering an exposure to currency risk.

The Spread and Concentration risk on shareholder assets is driven by £11.40m investment in the SSGA liquidity fund and £0.30m seed money invested in the SSGA liquidity fund.

Interest rate risk is the possibility that changes in interest rates will result in higher or reduced income from MPFL’s interest bearing financial assets. MPFL does not hold interest bearing liabilities. MPFL’s shareholder assets exposed to interest rate risk are part of the SSGA Liquidity Fund. Interest earned or the unrealised gains or losses on valuation of this exposure are reported as part of the Investment Income.

The total capital requirement in respect of Market Risk calculated using the Standard Formula, as at 31 December 2023 was £0.47m (2022: £0.27 m). There were no material changes over the reporting period.

C.3 Credit risk

Credit risk is defined as the risk of financial loss if a counterparty, borrower or obligor, collectively referred to as counterparty, is either unable or unwilling to repay borrowings or settle a transaction in accordance with underlying contractual terms.

Credit risk for MPFL stems from its assets held in the form of cash deposits with a credit institution and other assets held within the SSGA Liquidity Fund and policyholder debtors.

MPFL's cash at bank counterparties are limited in number and have acceptable credit ratings, and the risk profile of these counterparties is aligned with the assumptions underlying the Standard Formula for Type 1 exposures.

With regards to amounts owed by policyholders, MPFL has the contractual ability to recover any unpaid fees from units allocated to the relevant policy and hence the risk is only on any exposure in excess of the policyholder's surrender value. Given the controls in place, any such situations would be extremely rare and if they were to occur, the fees payable to SSGAL would be reduced rather than MPFL suffer detriment.

The capital requirement for counterparty default risk calculated using the Standard Formula, as at 31 December 2023 was £0.16m (2022: £0.09 m). There were no material changes over the reporting period.

C.4 Underwriting risk

MPFL writes only unit-linked pension business that offers no guarantees or otherwise provide any benefits beyond the return of assets under management. The Company is therefore not exposed to traditional underwriting risk; only the life expense risk is applicable that stem from administrative expenses incurred by MPFL.

The Life Expense Risk for MPFL as at 31 December 2023 was £0.01m (2022: £0.01m).

C.5 Risks Not Captured by the Standard Formula

Liquidity risk

Any liquidity risk arising on the unit-linked funds is borne by policyholders, as explained in policyholder disclosures. The Board and the Working Group monitor the liquidity of all unit-linked funds.

MPFL has a liquidity requirement, relating to its ongoing operational expenses and tax liabilities. Cashflows are managed to ensure MPFL's liabilities can be settled as they fall due. There were no material changes over the reporting period.

Group Risk

Group risk is defined as the risk that the financial position of a Company may be adversely affected by its relationships (financial or non-financial) with other entities in the same group or by risks which may affect the financial position of the whole group, for example reputational contagion.

MPFL is a subsidiary of SSGA Inc. which sets the global SSGA strategy. As a member of a larger group, MPFL is exposed to Group risk through the following areas:

- Contagion risk as a result of reputational damage or group financial pressures; and
- Intra-group exposures with operational dependencies between entities.

While it is unlikely that the Parent will fail, if it were to, MPFL would need to evaluate the viability of its business model.

ESG and Sustainability risk

Sustainability Risk is defined as an environmental, social, or governance (ESG) event or conditions that could result in an actual or a potential material negative impact on the Company. Sustainability risk is inclusive of Climate Risks, and hereinafter referred to in aggregate as "ESG".

MPFL recognises that environmental, social, and governance factors can impact a financial institution's risk profile in multiple ways, including, but not limited to, the following:

- Environmental risks, such as climate change, pollution, or natural disasters, can affect the value of assets, increase insurance costs, and create legal liabilities for a firm. Physical and transition climate related financial risks may have an impact on operations, however, risk identification programs indicate that this is primarily expected to be a driver of strategic risk, due to possible changes in client demand for products.
- Social risks such as labour practices, human rights violations, or community impacts can harm a firm's reputation, lead to regulatory fines, or trigger legal action.
- Governance risks such as broad diversity, executive pay, or bribery and corruption, can affect a firm's decision-making processes, increase the likelihood of unethical behaviour, and damage stakeholder trust.

MPFL aims to integrate ESG factors as transversal risks into the overall risk management framework in alignment with guidance from regulators and ESG bodies in its jurisdiction. In doing so, MPFL seeks to ensure ESG considerations are taken into account when assessing and managing risks across different areas of firm's operations, including, but not limited to investment decision making, corporate governance, and compliance.

Risk mitigation techniques

MPFL is run on a risk-averse basis and writes only unit-linked pension business that offers no guarantees on performance to policyholders. As a result, the risks that remain with MPFL are limited.

Reinsurance is not currently used as a risk mitigation technique for MPFL.

C.7 Any other information

There is no other material information regarding MPFL's risk profile to add.

Section D: Valuation for Solvency Purposes

For the purpose of regulatory reporting, a comparison of MPFL's total assets and liabilities reported in the Statutory Financial Statements for the year ended 31 December 2023 with the Solvency II values is summarized below.

	2023 Statutory Accounts £'000	2023 Solvency II £'000
Collective Investments Undertakings	12,227	12,227
Assets held for index-linked and unit-linked contracts	37,244,842	37,244,842
Insurance and intermediaries receivables	3,570	3,570
Receivables (trade, not insurance)	25	25
Cash and cash equivalents	6,683	6,683
Total assets	**37,267,347**	**37,267,347**
Technical provisions - index-linked and unit-linked	37,244,842	37,244,880
Insurance & intermediaries payables	7,804	7,804
Payables (trade, not insurance)	432	432
Total liabilities	**37,253,078**	**37,253,116**

D.1 Assets

Value of assets

The valuation methodology used for each type of asset reported in the Solvency II Balance Sheet has been provided as follows:

Collective Investments Undertakings

Collective Investments Undertakings are investments that are held in the SSGA Liquidity Fund £11.40m (2022: £10.88 m), with an additional £0.83m (2022: £0.77m) held in unit-linked funds as seed capital. The holdings in SSGA Liquidity Fund are classified as Level 1 and the holdings in seed investment are classified as Level 2 under the Fair Value Hierarchy. These assets are recognised at either fair market value or nominal value (in the case of cash deposits).

The fair value of Level 1 investments is determined using observable, unadjusted quoted prices in active markets for identical assets. Active markets are markets in which transactions occur for the item to be fair valued with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of Level 2 investments is determined using inputs other than quoted prices included within level 1 inputs that are observable, either directly or indirectly through corroboration with market data.

Assets held for index-linked and unit-linked contracts

Unit-linked investment contracts written by MPFL are without fixed terms and their value is dependent on the fair market value of the underlying financial assets and derivatives.

The fair values of the underlying financial assets and derivatives are derived In accordance with the valuation hierarchy set out in the Solvency II Regulation Article 10(2)-10(5). Methods used maximise the use of observable market inputs for the same or similar instruments and may be grouped as follows:

- Fair value is determined using observable, unadjusted quoted prices in active markets for identical assets ("Level 1").
- Fair value is determined using inputs other than quoted prices included within level 1 inputs that are observable, either directly or indirectly through corroboration with market data ("Level 2").
- Fair value is determined using inputs that are not observable, reflecting assumptions that the market participants may use in pricing an investment ("Level 3").

The £37.24bn (2022: £31.71 bn) unit-linked assets held to cover unit-linked liabilities at 31 December 2023 were valued as follows:

	2023 £'000	2022 restated £'000
Level 1	25,715,823	22,509,894
Level 2	11,357,869	9,386,404
Level 3	754	2,221
Net receivables on unit-linked funds	170,396	(184,542)
	37,244,842	**31,713,977**

For both 31 December 2023 and 2022, Level 1 valuation applied to listed equities and liquidity funds. Level 2 valuation applied to bonds, mutual funds and derivatives, and Level 3 valuation applied to equity investments that were suspended or unquoted. The 2022 restatement relates to a movement of £3.8bn due to a reclassification of G7 Government Bonds from Level 1 to Level 2.

Net receivables amounts are non-derivative financial assets with fixed or determinable payments that originate from contracts and are not quoted in an active market. The value per the financial statements is assessed to be equivalent to the value required under Solvency II.

Insurance and intermediaries receivables

Insurance and intermediaries receivables are non-derivative financial assets that are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method where applicable and less any impairment. This is the valuation method used for the financial statements reporting and the result is assessed to be materially equivalent to the value required under Solvency II.

Cash and cash equivalent

This comprises bank deposits.

Other disclosures

MPFL's Solvency II Balance Sheet does not include these classes of assets:

- Intangible assets
- Net Deferred tax assets
- Financial or operating lease assets

Explanation of any material differences in valuation bases

There are no material differences between the bases, methods and assumptions used for valuation of these assets for solvency purposes compared to those used in the valuation for the year-end Financial Statements.

D.2 Technical provisions

Value of technical provisions

The technical provisions in respect of this business are summarised in the table below:

	2023 £'000	2022 £'000
Direct Business	30,583,880	25,506,628
Reinsurance Accepted	6,660,962	6,207,349
VIF	(118)	(113)
Best Estimate Liabilities	37,244,724	31,713,864
Risk Margin	156	249
Technical Provisions	37,244,880	31,714,113

For the type of unit-linked contracts written by MPFL, the best estimate liabilities are calculated as:

- The value of the units allocated to the policies; less
- On a best-estimate basis, the present value of retained fee less administrative expenses projected in the three-year Business Plan (the "Value of In-Force"). The increase in the Value In Force ("VIF") amount year on year is due to a small decrease in budgeted management expenses for 2024 compared to 2023.

Contract boundary

As policyholders cannot be compelled to pay future premiums, the contract boundary is assumed to be immediate and, as a consequence, no account is taken of any future premiums that may be paid after the valuation date in determining the VIF.

Projection period

In accordance with Article 56 of the Solvency II Regulation, MPFL uses a simplified approach with a 4-month projection period to calculate its technical provisions that is proportionate to the nature, scale and complexity of the risk underlying its obligations. This reflects the nature of its expense agreements, which mean that changes in the length of the projection term have equal and offsetting effects on the VIF and risk margin such that technical provisions don't change.

Risk Margin

The risk margin is calculated as a 4% cost of capital charge on the non-market risk components of the SCR, adjusted by a risk-tapering factor which reduces over time. The 4% cost of capital assumption and risk tapering factor of 0.9 are prescribed by the regulations. The non-market risk components are, for MPFL, the life underwriting, counterparty and operational risk components of the SCR. Consistent with the proportionality assessment applied to the Technical Provisions, a short projection period is used for the calculation of the risk margin and so the risk tapering factor does not impact the calculation of the risk margin for MPFL. It is assumed there is no change in the non-market risk components over this period.

VIF

The assumptions used in determining the cash-flows in the calculation of VIF are:

- Retained fee income;
- Expense assumptions; and
- Expense inflation assumption.

The terms of the investment mandate agreements (and short four-month projection) mean that a surrender assumption is not required when calculating the best estimate liabilities as it would not affect the level of the Technical Provisions.

The fixed expenses are determined using 2024 budget amounts. The budgeted costs allow for expected inflation at a rate of 5.0% during 2024.

As required by the regulations, the risk-free curves used to discount the cash-flows are the risk-free curves as at 31 December 2023 published by the PRA, without the volatility adjustment.

Level of uncertainty associated with the value of technical provisions

For the reasons described above, the simplified approach used does not introduce any uncertainty and therefore no material approximations are used in the calculations.

Explanation of any material differences between valuation bases

The technical provisions are calculated for solvency purposes as:

- The value of the units allocated to the policies; less
- On a best-estimate basis, present value of projected retained fee and administrative expenses; plus
- The risk margin, calculated as a 4% cost of capital charge on the non-market risk components of the SCR. The non-market risk components are the insurance, counterparty and operational risk components of the SCR.

The latter two elements are excluded from the value of the technical provisions used in the financial statements. Assets values are the same in both. A reconciliation of the Statutory Financial Statements and Solvency II technical provisions is shown in the table below:

	2023 £'000	2022 £'000
Financial Statements' technical provisions	37,244,842	31,713,977
VIF	(118)	(113)
Risk Margin	156	249
Solvency II technical provisions	37,244,880	31,714,113

Use of matching adjustment

No matching adjustment has been applied.

Use of volatility adjustment

The volatility adjustment is not used by MPFL.

Application of the transitional risk-free interest rate-term structure

The transitional risk-free interest rate-term structure has not been applied.

Application of transitional deduction

The transitional deduction has not been applied.

Description of recoverable from reinsurance contracts and special purpose vehicles; and any material changes in the relevant assumptions made in the calculation of technical provisions compared to the previous reporting period

MPFL has no outward reinsurance arrangements and no recoverable from Special Purpose Vehicles.

Post balance sheet events

VIF and risk margin have not been impacted by any subsequent events arising in the period to end of March 2024.

D.3 Other liabilities

Valuation, methodology and assumptions

In line with Article 296(3) of the Solvency II Regulation and Guideline 10 (Content by material classes of liabilities other than technical provisions), relevant disclosures in relation to other liabilities as per MPFL's Solvency II Balance Sheet are as follows:

Insurance & intermediaries payables

Liabilities falling into this class are initially measured at fair value net of transaction costs. These are subsequently measured at amortised cost using the effective interest rate method where applicable. Therefore, the financial statements are prepared as per above valuation method and, as required in Article 9 of the Solvency II Regulation, other (non-policyholder) liabilities are valued in accordance with international accounting standards (UK GAAP in the case of MPFL) and the valuation method adapted is consistent with the approach set out in the in Article 75 of Solvency II Directive.

Payables (trade, not insurance)

Similar to Insurance & intermediaries payables, this is initially measured at fair value net of transaction costs. These are subsequently measured at amortised cost using the effective interest rate method where applicable. Again, the result of this measure is assessed to be materially equivalent to the value required under Solvency II.

Other disclosures

There are no additional liabilities to be disclosed on the MPFL's Solvency II Balance Sheet.

Reconciliation to financial statements

The bases, methods and assumptions used for valuation of these liabilities for the Financial Statements are assessed to produce results that are materially equivalent to the values required under Solvency II.

D.4 Alternative methods for valuation

Assets categorised as Level 3 in "D.1 Assets" above were fair valued using inputs that are not observable, reflecting assumptions that the market participants may use in pricing such assets.

D.5 Any other information

There is no other material information regarding the valuation of MPFL's assets and liabilities to add.

Section E: Capital Management

E.1 Own funds

MPFL objectives with regard to managing own funds

It is the policy of MPFL to maintain capital in excess of the level required by its SCR, and to ensure capital adequacy according to its ORSA. Adequate capital should be held against all key material risks, and should remain adequate not just at a point in time, but over the business planning period to account for changes in MPFL's strategic direction, evolving economic conditions, and financial and market volatility, and their effect on the Company's risk profile and capital needs.

The Company's planning period is three years and based on the current Plan, there is no anticipated material change to the Company's business model, its product offering or market. Therefore, the risk profile of the Company is not expected to change materially over the planning period.

As at 31 December 2023, 80% (2022: 92 %) of assets held to cover basic own funds were investments in SSGA Liquidity fund. Over the planning period of the Company, it is anticipated that a significant portion of the assets held to cover basic own funds will be held in this highly rated liquidity fund.

MPFL plans to maintain a solvency ratio equal to or above 210% and the strategy to achieve this is by maintaining reserves from profits.

Structure, amount and quality of own funds

MPFL currently holds unrestricted Tier 1 Own Funds only as per the below table. Any proposal to change the capital management policy to permit other types of capital instrument would be subject to approval by the Board.

	2023 £'000	2022 £'000
Ordinary share capital (gross of own shares)	5,000	5,000
Capital contributions	3,600	3,600
Reconciliation reserve after deductions	5,631	3,998
Total basic own funds after deductions	14,231	12,598

The eligible amount of Own Funds to meet the SCR and MCR is £14.23m (2022: £12.59 m).

Explanation of any material differences

The table below presents a reconciliation between equity in the financial statements and basic own funds under Solvency II.

	2023 £'000	2022 £'000
Financial Statement Capital & Reserve	14,269	12,734
VIF	118	113
Risk Margin	(156)	(249)
Valuation of other liabilities	-	-
Solvency 2 Excess of assets over liabilities	14,231	12,598

Items subject to transitional arrangements

There are no items subject to transitional arrangements.

Ancillary own funds items

There are no ancillary own funds items.

Items deducted from own funds

There are no items deducted from own funds.

Reconciliation Reserve

Reconciliation Reserve at the end of the reporting period was £5.63m. This is made up of the following:

- Profit and loss account per statutory accounts for year-end 2023 at £5.67m;
- VIF £0.12m; and
- Risk Margin (£0.16).

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Amounts of SCR and MCR

MPFL's SCR and MCR are £3.98m and £3.49m respectively as at 31 December 2023

SCR split by risk modules

The following Standard Formula risk modules apply to MPFL based on its current operations and investments:

- Operational Risk;
- Market Risk (including Interest Rate, Equity, Spread, Concentration risk and Currency risk);
- Counterparty default; and
- Life Expense risk.

MPFL is not exposed to risks covered by other risk modules or sub-modules of the Standard Formula.

The breakdown of the SCR is shown in the following table:

	2023 £'000	2022 £'000
SCR (Operational Risk)	3,910	4,251
SCR (Market Risk)	472	265
SCR (Counterparty Default Risk)	158	88
SCR (Life Underwriting Risk)	13	14
Undiversified SCR	4,553	4,618
Diversification Benefit	(105)	(63)
Loss absorbing capacity of deferred taxes	(471)	(95)
SCR	3,977	4,460

Use of simplified calculations

The SCR has been calculated in accordance with the methodology specified under the Standard Formula, which involves applying a series of prescribed stress tests. MPFL does not use any material simplifications in calculating the SCR.

Use of undertaking-specific parameters

MPFL does not use undertaking-specific parameters.

Inputs used to calculate MCR

The MCR represents the ultimate point of supervisory intervention below which a firm would lose its authorisation. The MCR is the greater of a minimum monetary amount and formulaic calculation. In practice, the former would apply for MPFL and is based on the Sterling equivalent of a Euro value set out in the Regulation. In accordance with the PRA Rulebook (Insurance General Application 4.2), this Euro value remained at €4.0m in 2023 (2022: €4.0 m). Based on conversion from Euro to Sterling the MCR increased to £3.5m as at 31 December 2023 (2022: £3.4 m).

For calendar year commencing 31 December 2023, the prescribed EUR-GBP exchange rate is 0.87366 £ / €. The PRA proposed to redenominate the amounts set out in Minimum Capital Requirement from Euro to Sterling as part of Policy Statement (PS) 2/24. The PRA proposed to implement these changes on 31 December 2024.

Explanation of any material changes to the SCR and MCR

There were no material changes to the SCR or the MCR over the reporting period.

Subsequent events

No post balance sheet events have impacted on the SCR or the MCR.

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

Not applicable to MPFL.

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

MPFL does not use an internal model.

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

MPFL has complied with the MCR and SCR throughout the period covered by this Report.

The Working Group continues to monitor capital on a monthly basis to be able to demonstrate continuous compliance with the regulatory capital requirements and technical provisions as per Article 45(1) (b) of the Solvency II Directive.

E.6 Any other information

There is no other material information regarding the capital management of MPFL.

Annexure

Directors' confirmation

The Directors are responsible for preparing the SFCR in accordance with the Prudential Regulatory Authority (PRA) rules and Solvency II Regulations.

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

Each of the Directors, whose names and functions are listed in Directors' Report of the UK GAAP financial statements, confirms that, to the best of their knowledge:

Throughout the financial year in question, the Company has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable; and

It is reasonable to believe that, at the date of the publication of the SFCR, the Company continues to comply, and will continue to comply in future.

On behalf of the Board

Director

26 March 2024

Appendix 1 – Reporting templates

Contents

The table below outlines the Quantitative Reporting Templates ("QRTs") that are to be reported under the SFCR and those that are in scope for MPFL:

QRT	QRT Name	Reported / Not reported
S.02.01.02	Balance sheet	Reported
S.05.01.02	Premiums, claims and expenses by line of business	Reported
S.05.02.01	Premiums, claims and expenses by country	Reported
S.12.01.02	Life and Health SLT Technical Provisions	Reported
S.17.01.02	Non-Life Technical Provisions	Not reported
S.19.01.21	Non-Life insurance claims	Not reported
S.22.01.21	Impact of long term guarantees and transitional measures (MCR)	Not reported
S.22.01.22	Impact of long term guarantees and transitional measures (SCR)	Not reported
S.23.01.01	Own funds	Reported
S.25.01.21	Solvency Capital Requirement – for undertaking on Standard Formula	Reported
S.25.02.21	Solvency Capital Requirement – for undertaking using the standard formula and partial internal model	Not reported
S.25.03.21	Solvency Capital Requirement – for undertakings on Full Internal Models	Not reported
S.28.01.01	Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity	Reported
S.28.02.01	Minimum Capital Requirement – Both life and non-life insurance activity	Not reported

All the templates are reported in thousands in GBP.

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	12,227
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	0
R0120	*Equities - unlisted*	0
R0130	*Bonds*	0
R0140	*Government Bonds*	0
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	12,227
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	37,244,842
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	0
R0260	*Other loans and mortgages*	0
R0270	Reinsurance recoverables from:	0
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	0
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	3,570
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	25
R0390	Own shares (held directly)	0
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	6,683
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	37,267,347

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	0
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
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)	0
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)*	0
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	0
R0680	*Risk margin*	0
R0690	Technical provisions - index-linked and unit-linked	37,244,880
R0700	*TP calculated as a whole*	37,244,842
R0710	*Best Estimate*	-117
R0720	*Risk margin*	156
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	7,804
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	432
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	0
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	37,253,116
R1000	**Excess of assets over liabilities**	14,231

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

		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			4,630,588	0	0	0	0	398,478	5,029,066
R1420	Reinsurers' share			0	0	0	0	0	0	0
R1500	Net	0	0	4,630,588	0	0	0	0	398,478	5,029,066
	Premiums earned									
R1510	Gross			4,630,588	0	0	0	0	398,478	5,029,066
R1520	Reinsurers' share			0	0	0	0	0	0	0
R1600	Net	0	0	4,630,588	0	0	0	0	398,478	5,029,066
	Claims incurred									
R1610	Gross			2,034,647	0	0	0	0	532,360	2,567,007
R1620	Reinsurers' share			0	0	0	0	0	0	0
R1700	Net	0	0	2,034,647	0	0	0	0	532,360	2,567,007
	Changes in other technical provisions									
R1710	Gross			-5,077,252	0	0	0	0	-453,613	-5,530,865
R1720	Reinsurers' share			0	0	0	0	0	0	0
R1800	Net	0	0	-5,077,252	0	0	0	0	-453,613	-5,530,865
R1900	**Expenses incurred**	0	0	13,877	0	0	0	0	3,022	16,900
R2500	**Other expenses**									26,725
R2600	**Total expenses**									43,625

S.05.02.01

Premiums, claims and expenses by country: Life insurance and reinsurance obligations

		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	5,029,066						5,029,066
R1420	Reinsurers' share	0						0
R1500	Net	5,029,066						5,029,066
	Premiums earned							
R1510	Gross	5,029,066						5,029,066
R1520	Reinsurers' share	0						0
R1600	Net	5,029,066						5,029,066
	Claims incurred							
R1610	Gross	2,509,735						2,509,735
R1620	Reinsurers' share	0						0
R1700	Net	2,509,735						2,509,735
	Changes in other technical provisions							
R1710	Gross	-5,528,388						-5,528,388
R1720	Reinsurers' share	0						0
R1800	Net	-5,528,388						-5,528,388
R1900	**Expenses incurred**	16,892						16,892
R2500	**Other expenses**							26,713
R2600	**Total expenses**							43,606

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**		30,583,880							6,660,962	37,244,842						
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	0						
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**			-96						-21	-117						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default									0	0						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re	0		-96	0		0	0	0	-21	-117						
R0100	**Risk margin**		128							28	156						
	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**	0	30,583,911			0			0	6,660,969	37,244,880						

S.23.01.01

Own Funds

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	5,000	5,000		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	9,231	9,231			
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**	14,231	14,231	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	14,231	14,231	0	0	0
R0510	Total available own funds to meet the MCR	14,231	14,231	0	0	
R0540	Total eligible own funds to meet the SCR	14,231	14,231	0	0	0
R0550	Total eligible own funds to meet the MCR	14,231	14,231	0	0	
R0580	**SCR**	3,977				
R0600	**MCR**	3,495				
R0620	**Ratio of Eligible own funds to SCR**	357.79%				
R0640	**Ratio of Eligible own funds to MCR**	407.21%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	14,231
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0730	Other basic own fund items	5,000
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	9,231
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	472		
R0020	Counterparty default risk	158		
R0030	Life underwriting risk	13		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-105		
R0070	Intangible asset risk	0		
R0100	Basic Solvency Capital Requirement	538		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	3,911
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-471
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	3,977
R0210	Capital add-ons already set	0
R0220	Solvency capital requirement	3,977
	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	Yes

	Calculation of loss absorbing capacity of deferred taxes	LAC DT
		C0130
R0640	LAC DT	-471
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	-471
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	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

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	0

		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		
R0030	Income protection insurance and proportional reinsurance		
R0040	Workers' compensation insurance and proportional reinsurance		
R0050	Motor vehicle liability insurance and proportional reinsurance		
R0060	Other motor insurance and proportional reinsurance		
R0070	Marine, aviation and transport insurance and proportional reinsurance		
R0080	Fire and other damage to property insurance and proportional reinsurance		
R0090	General liability insurance and proportional reinsurance		
R0100	Credit and suretyship insurance and proportional reinsurance		
R0110	Legal expenses insurance and proportional reinsurance		
R0120	Assistance and proportional reinsurance		
R0130	Miscellaneous financial loss insurance and proportional reinsurance		
R0140	Non-proportional health reinsurance		
R0150	Non-proportional casualty reinsurance		
R0160	Non-proportional marine, aviation and transport reinsurance		
R0170	Non-proportional property reinsurance		

Linear formula component for life insurance and reinsurance obligations

		C0040
R0200	MCR_L Result	260,713

		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	37,244,724	
R0240	Other life (re)insurance and health (re)insurance obligations		
R0250	Total capital at risk for all life (re)insurance obligations		

Overall MCR calculation

		C0070
R0300	Linear MCR	260,713
R0310	SCR	3,977
R0320	MCR cap	1,790
R0330	MCR floor	994
R0340	Combined MCR	1,790
R0350	Absolute floor of the MCR	3,495
R0400	**Minimum Capital Requirement**	3,495