

# Aioi Nissay Dowa Insurance UK Limited

## Solvency and Financial Condition Report

### Disclosures

31 December

**2020**

(Monetary amounts in GBP thousands)

## General information

Undertaking name	Aioi Nissay Dowa Insurance UK Limited
Undertaking identification code	213800OSAPC10K4N2D76
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 2020
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No 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.17.01.02 - Non-Life Technical Provisions
- S.19.01.21 - Non-Life insurance claims
- 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
		C0010
<b>Assets</b>		
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)	71,458
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	56,004
R0140	<i>Government Bonds</i>	8,231
R0150	<i>Corporate Bonds</i>	47,130
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	643
R0180	<i>Collective Investments Undertakings</i>	15,455
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	45,489
R0280	<i>Non-life and health similar to non-life</i>	45,489
R0290	<i>Non-life excluding health</i>	45,489
R0300	<i>Health similar to non-life</i>	0
R0310	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0320	<i>Health similar to life</i>	
R0330	<i>Life excluding health and index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	49,373
R0370	Reinsurance receivables	13,043
R0380	Receivables (trade, not insurance)	
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	9,467
R0420	Any other assets, not elsewhere shown	9,977
R0500	<b>Total assets</b>	<b>198,808</b>

## S.02.01.02

## Balance sheet

		Solvency II value
		C0010
<b>Liabilities</b>		
R0510	Technical provisions - non-life	98,182
R0520	<i>Technical provisions - non-life (excluding health)</i>	98,125
R0530	<i>TP calculated as a whole</i>	0
R0540	<i>Best Estimate</i>	93,999
R0550	<i>Risk margin</i>	4,126
R0560	<i>Technical provisions - health (similar to non-life)</i>	58
R0570	<i>TP calculated as a whole</i>	0
R0580	<i>Best Estimate</i>	0
R0590	<i>Risk margin</i>	57
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	<i>Technical provisions - health (similar to life)</i>	0
R0620	<i>TP calculated as a whole</i>	
R0630	<i>Best Estimate</i>	
R0640	<i>Risk margin</i>	
R0650	<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	0
R0660	<i>TP calculated as a whole</i>	
R0670	<i>Best Estimate</i>	
R0680	<i>Risk margin</i>	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	<i>TP calculated as a whole</i>	
R0710	<i>Best Estimate</i>	
R0720	<i>Risk margin</i>	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	2,214
R0830	Reinsurance payables	18,277
R0840	Payables (trade, not insurance)	
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	20,482
R0900	<b>Total liabilities</b>	139,156
R1000	<b>Excess of assets over liabilities</b>	59,653



S.17.01.02

Non-Life Technical Provisions

	Direct business and accepted proportional reinsurance											Accepted non-proportional reinsurance				Total Non-Life obligation	
	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
	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010 <b>Technical provisions calculated as a whole</b>	0	0		0	0	0	0	0	0	0	0	0					0
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
R0050																	0
<b>Technical provisions calculated as a sum of BE and RM</b>																	
<b>Best estimate</b>																	
<b>Premium provisions</b>																	
R0060 Gross	0	0		31,293	23,169	1	193	110	0	0	0	2,616					57,382
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0		12,736	9,603	1	191	108	0	0	0	1,289					23,929
R0150 <b>Net Best Estimate of Premium Provisions</b>	0	0		18,556	13,566	0	2	2	0	0	0	1,327					33,453
<b>Claims provisions</b>																	
R0160 Gross	0	0		23,689	12,784	0	1	19	0	0	0	125					36,617
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0		17,158	4,318	0	1	19	0	0	0	66					21,560
R0250 <b>Net Best Estimate of Claims Provisions</b>	0	0		6,531	8,466	0	0	0	0	0	0	59					15,057
R0260 <b>Total best estimate - gross</b>	0	0		54,982	35,953	1	194	128	0	0	0	2,741					93,999
R0270 <b>Total best estimate - net</b>	0	0		25,088	22,032	0	2	2	0	0	0	1,386					48,510
R0280 <b>Risk margin</b>	0	57		3,616	109	1	3	0	0	0	0	397					4,183
<b>Amount of the transitional on Technical Provisions</b>																	
R0290 Technical Provisions calculated as a whole																	0
R0300 Best estimate																	0
R0310 Risk margin																	0
R0320 <b>Technical provisions - total</b>	0	58		58,598	36,063	1	197	128	0	0	0	3,138					98,182
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	0	0		29,894	13,921	1	192	127	0	0	0	1,354					45,489
R0340 <b>Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total</b>	0	57		28,703	22,142	1	5	2	0	0	0	1,784					52,693

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident 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										0	0	0
R0160	0	0	0	0	0	0	0	0	0	0	0	0	0
R0170	0	0	0	0	0	0	0	0	0	0		0	0
R0180	0	0	0	0	0	0	0	0				0	0
R0190	0	0	0	0	0	0	0					0	0
R0200	0	0	0	0	0	0						0	0
R0210	0	0	0	0	0							0	0
R0220	0	0	0	0								0	0
R0230	0	0	0									0	0
R0240	0	0										0	0
R0250	7,044											7,044	7,044
R0260	<b>Total</b>											7,044	7,044

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										0	0	0
R0160	0	0	0	0	0	0	0	0	0	0	0	0	0
R0170	0	0	0	0	0	0	0	0	0	0		0	0
R0180	0	0	0	0	0	0	0	0				0	0
R0190	0	0	0	0	0	0	0					0	0
R0200	0	0	0	0	0	0						0	0
R0210	0	0	0	0	0							0	0
R0220	0	0	0	0								0	0
R0230	0	0	0									0	0
R0240	0	0										0	0
R0250	33,144											32,767	32,767
R0260	<b>Total</b>											32,767	32,767





S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010 Market risk	3,184		
R0020 Counterparty default risk	12,614		
R0030 Life underwriting risk	0		
R0040 Health underwriting risk	0		
R0050 Non-life underwriting risk	19,457		
R0060 Diversification	-6,198		
R0070 Intangible asset risk	0		
R0100 <b>Basic Solvency Capital Requirement</b>	29,057		
<b>Calculation of Solvency Capital Requirement</b>			
R0130 Operational risk	2,820		
R0140 Loss-absorbing capacity of technical provisions	0		
R0150 Loss-absorbing capacity of deferred taxes			
R0160 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		
R0200 <b>Solvency Capital Requirement excluding capital add-on</b>	31,877		
R0210 Capital add-ons already set	0		
R0220 <b>Solvency capital requirement</b>	31,877		
<b>Other information on SCR</b>			
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		
<b>Approach to tax rate</b>			
R0590 Approach based on average tax rate	0		
<b>Calculation of loss absorbing capacity of deferred taxes</b>			
	LAC DT		
R0640 LAC DT			
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		

**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

R0010 MCR<sub>NL</sub> Result

C0010

9,820

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
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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

0	
0	
0	
25,088	54,082
22,032	
0	
2	
2	
0	
0	
0	
1,386	5,683
0	
0	
0	
0	

Linear formula component for life insurance and reinsurance obligations

R0200 MCR<sub>L</sub> Result

C0040

0

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
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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
- R0250 Total capital at risk for all life (re)insurance obligations


Overall MCR calculation

- R0300 Linear MCR
- R0310 SCR
- R0320 MCR cap
- R0330 MCR floor
- R0340 Combined MCR
- R0350 Absolute floor of the MCR
- R0400 Minimum Capital Requirement

C0070

9,820
31,877
14,345
7,969
9,820
3,338
9,820