Solvency and financial condition report

SOGELIFE

Solvency and financial condition report

Financial year 2024

SOGELIFE

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ABBREVIATIONS

The following table summarises the acronyms frequently used in this document:

Acronym	Description
ALM	Asset Liability Management
AVM	Alternative Valuation Method
ECB	European Central Bank
BE	Best Estimate: Best Estimate of technical provisions under Solvency 2
BSCR	Basic Solvency Capital Requirement
CAA	*Commissariat Aux Assurances* – Insurance Commission
CACIR	Audit, Internal Control and Risk Committee
CIC	Complementary Identification Code: EIOPA code used for classification of assets under Solvency 2
EIOPA	European Insurance and Occupational Pensions Authority – European Supervisory Authority
ESG	Economic Scenario Generator
IAS/IFRS	International Accounting Standards / International Financial Reporting Standards
KPI	Key Performance Indicators
LoB	Line of Business: business lines defined according to Solvency 2 standard

Acronym	Description
MCR	Minimum Capital Requirement
UCITS	Undertaking for Collective Investment in Transferable Securities
ORSA	Own Risk and Solvency Assessment
PS	Profit-sharing
PCA	Insurance Chart of Accounts
PSAP	Provision for Claims Payable
QMP	Quoted Market Price
QRT	Solvency 2 Quantitative Reporting template
RFF	Ring-Fenced Fund: a ring-fenced fund as defined by the Solvency 2 standard
RM	Risk Margin
SCI	Real estate Company
SCR	Solvency Capital Requirement
SII	Solvency 2
TG	Guaranteed Rate Portfolios (supports in euros and dollars)
UC	Unit-linked
VA	Volatility Adjustment

EXECUTIVE SUMMARY

The Solvency 2 regulatory framework, in force since January 1st, 2016, applies to all insurance companies and groups operating within the European Union. The Solvency and Financial Condition Report (SFCR) aims to disclose all publicly required information and is structured into five sections as mandated by the regulation.

This report was submitted for approval to the Board of Directors on March 28th.

Business activity and results

Sogelife is the Luxembourg life insurance company of the Société Générale Group. The company operates on an open-architecture model, providing Société Générale Group and a network of external partners with a wide range of life insurance and capitalisation products, aimed at an international wealth management clientele across various European countries.

The table below presents the main business indicators derived from the financial statements:

(In millions of euros)	2024	2023
Gross written premiums	3,744	1,715
Technical result	27.3	26.2
Net income	21.2	20.5
Financial investments (market value)	8,031	6,818
Book equity	331	179
S2 available own funds	**685**	**391**

In a context of declining short-term interest rates in 2024, the Luxembourg life insurance market recorded a sharp increase in inflows, up 41% compared to 2023, driven by renewed interest in guaranteed return products (+72% on the euro-denominated fund), while unit-linked products also increased by +29% over 2023.

Against this backdrop, Sogelife's premium income rose sharply, growing by 2.2x versus 2023, reaching €3,744 million, with x 2.2 growth on the euro-denominated fund and 2.6x growth on unit-linked products.

The share of unit-linked policies in total inflows stood at 28% in 2024, compared to 24% in 2023, corresponding to an additional €655 million collected on unit-linked products.

Net profit amounted to €21.2 million, up 3% compared to 2023.

Governance

The Executive Management of Sogelife operates its own risk management and internal control systems, supported by the four key functions defined under Solvency 2.
The integrated risk management and internal control framework is designed to enable the ongoing monitoring and rapid mitigation of material risks. It is supported by the necessary data and tools to ensure the risks are effectively analysed and controlled.

Risk profile

Sogelife conducts its life savings business through a broad range of life insurance and capitalisation contracts.

Given its business model, Sogelife is predominantly exposed to market risks, which are managed through a structured risk governance framework.

In 2024, Sogelife recorded exceptional premium inflows, both in volume and value, especially in guaranteed-rate products. This significant inflow led to higher capital requirements, making it necessary to carry out temporary capital reinforcement operations.

However, this event did not affect Sogelife's risk profile.

Economic balance sheet valuation

The general valuation principles applied to assets and liabilities follow the provisions of the Solvency 2 Directive.
Assets and liabilities are valued at their economic value, meaning the amount for which they could be exchanged, transferred, or settled in an arm's length transaction between knowledgeable and willing parties.

The economic balance sheet, derived from the statutory balance sheet, forms the cornerstone of the Solvency 2 prudential framework. It is the basis for calculating eligible own funds and solvency capital requirements (SCR and MCR). The gap between the net assets in the economic balance sheet and the statutory balance sheet is mainly due to unrealised gains on financial investments and the valuation differences in technical provisions.

Capital management

Sogelife manages its Solvency 2 eligible own funds to ensure compliance with its regulatory solvency capital requirement (SCR) at all times.

To assess its capital needs (SCR and MCR), Sogelife uses EIOPA's standard formula.

As of end-2024, just like in 2023, Sogelife's own funds consist mainly of Tier 1 elements. As such, €685 million are eligible to cover the Solvency Capital Requirement, with €54 million being excluded (capped).

(In millions of euros, except %)	2024	2023
Eligible own funds to meet the SCR	685	391
SCR	480	346
SCR coverage ratio	**143%**	**113%**
Eligible own funds to meet the MCR	469	302
MCR	120	86
MCR coverage ratio	**391%**	**350%**

With an SCR coverage ratio of 143% at year-end 2024, Sogelife complies with regulatory solvency requirements. As a reminder, the drop in the ratio from 161% to 113% in 2023 was mainly attributable to the high volume of premiums collected in 2023 on guaranteed-rate policies (€1,303 million), which, under the standard formula, led to temporary capital reinforcement requirements.

The measures implemented in 2024—retention of 100% of 2023 earnings, issuance of subordinated debt, and a capital increase—enabled a substantial strengthening of solvency, resulting in a 30-point increase in the SCR ratio from 113% in 2023 to 143% in 2024.

A – BUSINESS ACTIVITY AND RESULTS

1 – Business activity

1.1 Introduction

Sogelife is a public limited company governed by Luxembourg law, engaged in life insurance, with a fully paid-up share capital of EUR 178,222,846. The company is a subsidiary of Sogécap and Société Générale Luxembourg, both of which are 100% owned by the Société Générale Group. Its registered office is located at 11, avenue Émile Reuter – L-2420 Luxembourg. The company is registered with the Luxembourg Trade and Companies Register under number B 55612.

Sogelife's corporate purpose, both in Luxembourg and abroad, on its own behalf or on behalf of third parties, includes:

- All direct life insurance, co-insurance, and reinsurance operations,
- All capitalisation transactions,
- The management of collective pension funds.

It may also carry out all types of commercial, financial, movable, or immovable operations directly or indirectly related to or facilitating the above activities or their expansion and development.

Sogelife prepares standalone financial statements in accordance with Luxembourg accounting standards for statutory purposes and IFRS reporting on a quarterly basis for the Group's IFRS consolidation.

The preparation of annual accounts under Luxembourg GAAP for insurance companies established in Luxembourg is governed by the amended law of 8 December 1994.

1.2 Supervisory authority

Sogelife is under the supervision of the Commissariat aux Assurances (CAA) in Luxembourg, whose office is located at 11, rue Robert Stumper - L-2557 Luxembourg.

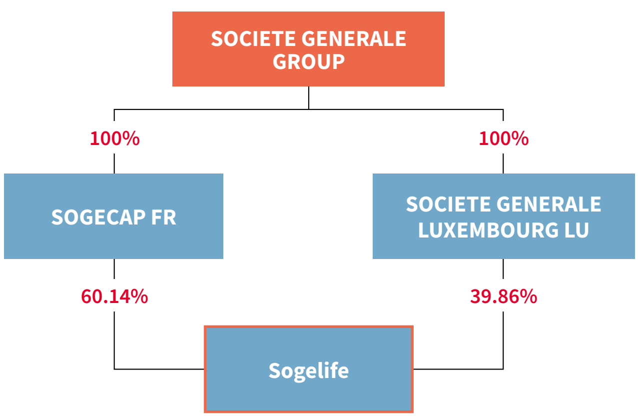
1.3 External auditors

Sogelife's financial statements are subject to a statutory audit by an approved auditor. The auditor is appointed by the General Assembly for a renewable one-year term.

PwC	2, rue Gerhard Mercator L-1014 Luxembourg

1.4 Sogelife's position within the Société Générale Group

Sogelife is a subsidiary of Sogécap and Société Générale Luxembourg, which are wholly owned by the Société Générale Group. Sogelife is attached to Sogécap, the parent company of the Sogécap Group, and the Insurance division of the Société Générale Group.



1.5 Business Lines

Sogelife offers life insurance and capitalisation solutions tailored to an international clientele across various European Union countries: Luxembourg, France, Belgium, Italy, Monaco, Spain, Czech Republic, and Portugal, and may also serve residents of Switzerland and the United Kingdom under certain conditions.

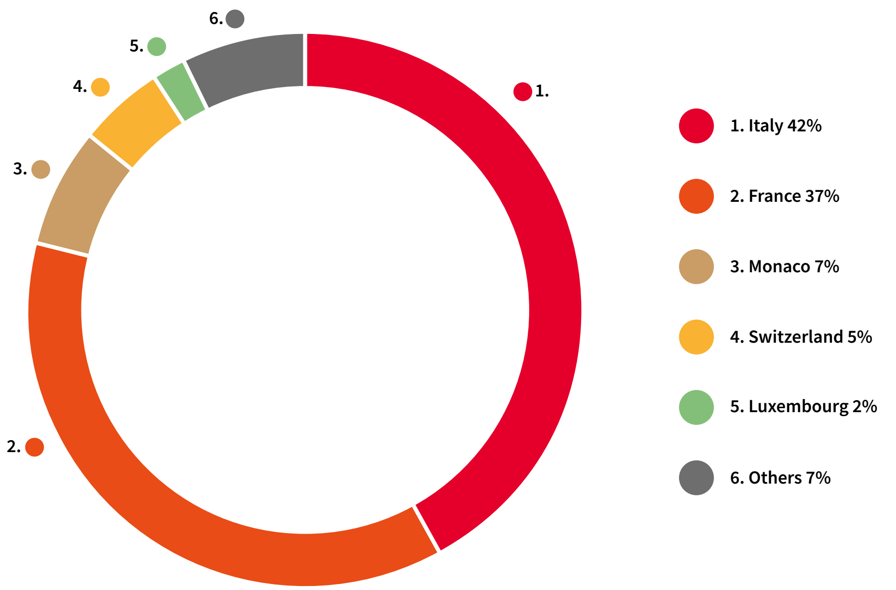
Sogelife offers wealth management financial solutions suited to all investment profiles and allows for multi-currency investments through various distribution networks such as:

- Société Générale Group's private banking network in France and internationally,
- An external partner network: private banks, asset management firms, insurance brokers, family offices.

The following table provides a breakdown of revenue (excluding inward reinsurance) by key business segments over the last two financial years :

(In thousands of euros, excluding acceptances)	2024		2023	
Gross written premium	**3,744,175**	**100%**	**1,714,956**	**100%**
Funds in euros/dollars	2,677,695	72%	1,303,458	76%
Unit-linked funds	1,066,480	28%	411,499	24%

Breakdown of Sogelife's revenue by policyholders' country of residence:



2 – Performance of underwriting activities

The table below presents the net technical result of Sogelife established according to Luxembourg accounting principles. It highlights the reconciliation with elements not reported in QRT S.05.01*, notably financial ones, which significantly contribute to the company's performance.

(In thousands of euros)	2024					2023
		Reconciliation elements				
	QRT S.05.01*	Financial	PB	Income & charges	Technical result	Technical result
Gross earned premiums	3,744,339				3,744,339	1,715,253
Claim charges	-1,886,146				-1,886,146	-3,123,254
Charges for other technical provisions	-2,214 812				-2,214,812	942,208
Net change in value of unit-linked provisions		201,898			201,898	392,488
Subscription balance	**-356,619**	**201,898**			**-154,721**	**-73,305**
Net investment income		338,919			338,919	159,591
Profit-sharing			-297,908		-297,908	-130,856
Financial balance		**338,919**	**-297,908**		**41,011**	**28,736**
Acquisition and administration costs	-				-57,933	-49,462
Other technical income and expenses	-235				-324	57,933
Management balance	**-58,167**				**-58,167**	**-49,785**
Reinsurance balance	**-86,720**		**292,482**	**-6,625**	**199,138**	**121,209**
Net technical result	**-501,506**	**540,816**	**-5,426**	**-6,625**	**27,260**	**26,174**

*QRT S.05.01 Premiums, Claims and Expenses by business line is presented in the appendix.

Sogelife's **gross written premium (GWP)**, (including reinsurance acceptances) amounts to €3,744 million, a 2.2-fold increase compared to the end of 2023, in a market that itself grew by 41%.

It should be noted that the share of premiums on guaranteed rates remains high at 71.5%.

Total benefit expenses amounted to €-1,886 million for the 2024 financial year, down 40% compared to the previous year.

(In thousands of euros)	2024	2023	Variation
Claims	-59,039	-101,272	42,233
Surrenders	-1,827,045	-3,,920	1,194,875
Annuities	-62	-62	-
Total service cost	**-1,886,146**	**-3,123,254**	**1,237,107**

The decrease in benefit expenses borne by Sogelife between 2023 and 2024 is attributable to policy surrenders, linked in particular to a better economic environment and reduced competition from short-term banking products. The benefit expense ratio in life insurance relative to mathematical provisions on euro and unit-linked funds decreased in 2024 (14%) compared to 2023 (25%).

Technical provisions increased by €2,215 million, corresponding to a strongly positive net inflow in 2024.

(In thousands of euros)	2024	2023	Change
Changes in life insurance provision - Euro funds	-1,336,640	825,930	-2,162,570
Changes in life insurance provisions - UL	-	116,278	-994,450
Total	**-2,214,812**	**942,208**	**-3,157,020**

The financial balance amounts to €41,011 K.

Acquisition and administration costs amounted to €58 million in 2024, an increase compared to 2023 (+€8 million), notably due to a rise in assets under management and thus the remuneration of business introducers.

(In thousands of euros)	2024	2023	Change
Acquisition costs	-13,422	-11,697	1,725
Administration costs	-44,511	-37 764	6,746
Total	**-57,933**	**-49,462**	**8,471**

As a result, **the technical result** amounts to €27.2 million for the 2024 financial year, up 4% compared to the previous year.

3 – Investment performance

3.1 Breakdown of Sogelife's investments by asset category

The table below presents Sogelife's investments by asset category (CIC coding) as they appear in the statutory and prudential balance sheets for the past two financial years:

(In thousands of euros)		2024			2023		
		Solvency 2 balance sheet value	Statutory balance sheet value	% Statutory balance sheet value	Solvency 2 balance sheet value	Statutory balance sheet value	% Statutory balance sheet value
Financial investments (excluding unit-linked)		**917,239**	**941,490**	**11.70%**	**584,338**	**610,386**	**8.90%**
1	Sovereign bonds	347,616	364,926	4.50%	193,333	209,696	3.10%
2	Corporate bonds	305,639	312,176	3.90%	107,845	117,038	1.70%
3	Shares	9	5	0.00%	17	13	0.00%
3	Holdings	-	-	0.00%	-	-	0.00%
4	Investment funds	101,416	101,837	1.30%	47,713	48,207	0.70%
5	Structured securities	1,054	1,042	0.00%	650	651	0.00%
6	Guaranteed securities	-	-	0.00%	-	-	0.00%
7	Cash and deposits	158,379	158,379	2.00%	229,195	229,195	3.30%
8	Loans and mortgages	3,125	3,125	0.00%	5,586	5,586	0.10%
9	Real estate	-	-	0.00%	-	-	0.00%
A-F	Derivatives	-	-	0.00%	-	-	0.00%
Financial investments representing unit-linked policies		**7,114,139**	**7,113,102**	**88.30%**	**6,233,849**	**6,234,930**	**91.10%**
1	Sovereign bonds	183,574	183,582	2.30%	156,018	155,376	2.30%
2	Corporate bonds	1,092,036	1,091,988	13.60%	869,683	869,843	12,70%
3	Shares	1,036,986	1,036,865	12.90%	794,496	794,498	11.60%
4	Investment funds	3,224,379	3,223,655	40.00%	2,838,228	2,840,401	41.50%
5	Structured securities	866,410	866,259	10.80%	849,445	849,192	12.40%
6	Guaranteed securities	-	-	0.00%	-	-	0.00%
7	Cash and deposits	711,034	711,034	8.80%	725,278	725,278	10.60%
8	Loans and mortgages	-	-	0.00%	-	-	0.00%
9	Real estate	-	-	0.00%	-	-	0.00%
A-F	Derivatives	-279	-279	0.00%	701	701	0.00%
Total		**8,031,378**	**8,054,593**	**100.00%**	**6,818,187**	**6,845,316**	**100%**

The euro-denominated contracts are reinsured by Sogécap, which provides a guarantee on the invested premiums. This guarantee is secured by the pledging, in favour of Sogelife, of high-quality eligible securities by Sogécap, for an amount at least equal to the reinsurance recoverable.

3.2 Breakdown of financial result by asset category

The components of Sogelife's financial result (including interest expenses), as they appear in the company's financial statements (life technical account and non-technical account), are as follows:

(In thousands of euros)	2024	2023	Notes
Investment income	23,083	15,404	A.3.2.1
Gains and losses on the realisation of investments	2,180	999	A.3.2
Other investment income and expenses	-1,345	-3,108	A.3.2.3
Internal and external investment management expenses and interest	-19,811	-13,435	A.3.2.4
Net investment income from reinsurance	64,326	56,005	A.3.2.5
Financial result	**68,433**	**55,865**	
of which technical result	***66,999***	***56,547***	
of which non-technical result	***1,434***	***-681***	

3.2.1 Investment income by category:

Investment income consists of remuneration flows specific to each category of financial assets. These are mainly coupons for fixed income instruments, dividends for equity instruments, or interest income for loans.

(In thousands of euros)	2024	2023
1 Sovereign bonds	6,007	4,523
2 Corporate bonds	8,340	3,887
3 Holdings	-	-
3 Shares	-	-
4 Investment funds	353	335
5 Structured securities	-	-
7 Cash and deposits	8,280	6,519
8 Loans and mortgages	103	140
9 Real estate	-	-
Total	**23,083**	**15,404**

3.2.2 Gains and losses from the realisation of investments:

The table below presents the capital gains and losses resulting from the disposal of financial assets during the year.

(In thousands of euros)	2024	2023
1 Sovereign bonds	-	-
2 Corporate bonds	-	-39
3 Shares	-	-
3 Holdings	-	-
4 Investment funds	2,180	1,038
5 Structured securities	-	-
6 Secured securities	-	-
7 Cash and deposits	-	-
8 Loans and mortgages	-	-
9 Real estate	-	-
Total	**2,180**	**999**

3.2.3 Other investment income and expenses:

Other investment income and expenses mainly correspond to the amortization of premiums/discounts on fixed-income securities and allocations/reversals of impairment provisions.

For 2024, in the absence of significant changes in impairment provisions, the main impact corresponds to the amortization of premiums/discounts.

3.2.4 Internal and external investment management fees and interest

The line for internal and external investment management fees primarily records interest expenses related to subordinated borrowings and ancillary costs related to securities transactions.

3.2.5 Net investment income from reinsurance

Sogelife reinsures 100% of its euro-denominated guaranteed rate commitments. The risks to which Sogelife is exposed, notably asset-liability and financial risks, thus depend closely on its reinsurer.

However, the reinsurance agreement mitigates this risk to the extent that the guarantees granted by Sogelife are covered by the reinsurer within the limits of French regulation.

3.3 Unrealised gains and losses on the portfolio by asset category

At the end of 2024, Sogelife's portfolio of financial assets (excluding unit-linked) is in a position of unrealised losses amounting to €24,251 K, compared to an unrealised loss of €26,047 K at the end of 2023. In the statutory balance sheet, assets are recorded at their acquisition cost, potentially adjusted for impairments, and unrealised losses are therefore not recognized.

The following table presents the situation of unrealised gains or losses by asset category:

(In thousands of euros)	2024	2023
1 Sovereign bonds	-17,311	-16,363
2 Corporate bonds	-6,536	-9,193
3 Shares	5	3
3 Holdings	-	-
4 Investment funds	-420	-494
5 Structured securities	12	- 1
6 Secured securities	-	-
7 Cash and deposits	-	-
8 Loans and mortgages	-	-
9 Real estate	-	-
A-F Derivatives	-	-
Total	**-24,251**	**-26,047**

3.4 Investments in securitizations

Sogelife's financial asset portfolio does not include any investments in securitizations.

4 – Performance of other activities

The table below presents the other non-technical income and expenses contributing to Sogelife's net income for the year and the previous year:

(In thousands of euros)	2024	2023
Net technical result	**27,260**	**26,174**
Net investment income - non-technical*	1,434	-681
Other non-technical products	-	-
Other non-technical charges	-	-
Extraordinary income	-	-
Income tax	-7,500	-5,030
Net profit from the financial year	**21,194**	**20,463**

*Presented in part 3 - Performance of investments.

5 – Other information

Sogelife did not enter into any significant lease agreements as of the end of 2024.

B – GOVERNANCE SYSTEM

1 – General information on the governance system

1.1 Governance Body and Key Functions

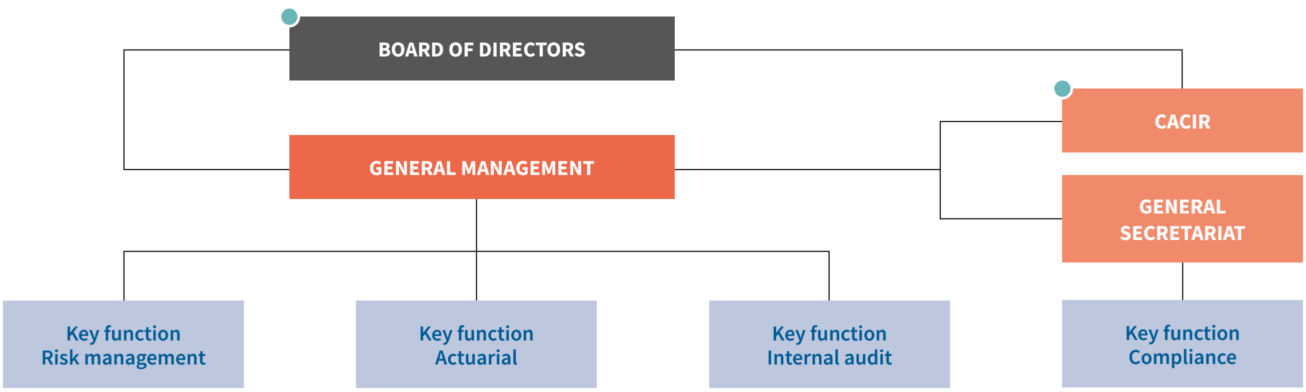
1.1.1 Overview of Sogelife's Governance System

Sogelife's governance system is organised with a Board of Directors, chaired by Mr. Philippe PERRET.

The Board of Directors, responsible for defining the company's strategic direction and monitoring its implementation, is supported by a specialised Committee made up of Sogelife administrators.

Its mission is to assist the Board in its decision-making. Its role is to assist the members of Sogelife's Board of Directors in their decision-making.

The Executive Management is responsible for implementing the strategic direction set by the Board of Directors, ensuring control of the risks arising from Sogelife's activities. In its mission, the Executive Management is assisted by the heads of the four key functions provided for by Solvency 2, who convene notably within different committees.



Intervention of key functions in these tasks.

1.1.2 The Board of Directors

Duties and Responsibilities

The Board of Directors defines the strategic direction of the company, which is then implemented under its supervision by the Executive Management.

Subject to the powers expressly granted to the shareholders' meetings and within the limits of the company's corporate purpose, it addresses any matter relating to the proper functioning of the company and decides on issues concerning the company through its resolutions.

In particular, it exercises the following powers:
- Appointment of the Chair of the Board of Directors and the Managing Director,
- Review and approval of the company's annual accounts,
- Review and approval of the annual Solvency 2 report,
- Convening of shareholders' meetings,
- Authorization of regulated agreements,
- Review and approval of the ORSA report,
- Review and approval of policy changes.

Effective operation

The Board adopted internal regulations defining the rules and modalities for the operation of the Board and its specialised Committees, supplementing legal provisions and Sogelife's statutes.

The Chairman organises and leads the Board's work.

The Board meets whenever the company's interests require and at least twice a year, typically in March and October. In addition to the mandatory meeting to approve the annual accounts and the prudential report, other sessions are held as needed to support the company's development and monitoring.

Meeting schedules are set at the end of the year, and the Executive Management uses these meetings to share information on Sogelife's strategy, development, and performance.

A notice including the meeting agenda is sent to directors and, where appropriate, the statutory auditors. Each participant receives a file containing documentation relevant to the main topics on the agenda.

The Chairman submits the minutes of the previous meeting(s) for approval by the Board of Directors.

Composition of the Board

As of December 31, 2024, the Board of Directors consists of 9 members: 7 natural persons and 2 legal entities.

Specialised committees established by the Board of Directors:

The Board is supported in its work by a specialised committee mainly composed of directors.

This committee contributes through its expertise to the Board's decisions in accordance with principles of sound risk management and good governance. This is the Audit, Internal Control, and Risk Committee (CACIR), whose main duties are described in section 3.1.2.

1.1.3 Executive Management and Key Functions

Executive Management

The Managing Director, Mr. Jean Elia, is responsible for the day-to-day management of the company. He performs the duties of an approved executive within the meaning of the law on the insurance sector.

He is vested with the powers granted by the Board of Directors of Sogelife to act in all circumstances on behalf of the company and to represent it in its dealings with third parties. He is assisted in his duties by the Internal Management Committee (CODIR).

Key functions

A major component of the company's governance system, the holders of key functions are appointed by the Board of Directors, based on their expertise and the alignment of the key function with the managerial position they hold within Sogelife.

The key functions are granted the authority, resources, and operational independence necessary to effectively carry out their responsibilities.

The holders of key functions participate in and contribute to various committees set up by the Board of Directors and Executive Management to report on their activities and have direct access to the Board of Directors.

They may be heard by the Board of Directors outside the presence of members of the Executive Management if deemed necessary.

The table below sets out the main tasks assigned to the heads of key functions within Sogelife:

ACTUARIAL FUNCTION

HOLDER: HEAD OF FINANCIAL AND ACTUARIAL SUPERVISION OF SOGELIFE

- Issue opinions on the overall underwriting policy.
- Provide assessments on the adequacy of reinsurance arrangements and the risk profile.
- Coordinate the calculation of technical provisions.
- Produce an actuarial report, at least annually, for the Board of Directors, covering the above points.
- Contribute to the effective implementation of the risk management system, especially with respect to the modeling of SCR risks and the ORSA assessment.
- Assess the sufficiency and quality of data used in the calculation of technical provisions.

RISK MANAGEMENT FUNCTION

HOLDER: DIRECTOR OF FINANCE, TECHNICAL AND RISK AT SOGELIFE

- Support governance bodies in implementing, coordinating, and monitoring the risk management system.
- Provide detailed reporting on risk exposures.
- Monitor the risk profile.
- Lead the ORSA process and incorporate ORSA results into the consolidated risk view reported to governance bodies.
- Identify and assess emerging risks.

INTERNAL AUDIT FUNCTION

HOLDER: A BOARD MEMBER OF SOGELIFE WHO SUPERVISES INTERNAL AUDIT ACTIVITIES DELEGATED BY SOGELIFE TO SOGÉCAP

- Define the multi-year audit plan in collaboration with the CACIR.
- Coordinate Internal Audit activities at Sogelife and ensure alignment with Group-level Internal Audit requirements at Société Générale.
- Present the conclusions of audit missions to the Board of Directors and inform them of planned timelines for remedying identified deficiencies.
- Monitor implementation of recommendations from prior audits.

COMPLIANCE FUNCTION

HOLDER: GENERAL SECRETARY OF SOGELIFE

- Implement broad-spectrum regulatory monitoring for insurance activities.
- Identify and assess non-compliance risks (risk mapping).
- Lead the compliance function (compliance plan, follow-up on actions and incidents).
- Provide advisory support to the Board of Directors and Executive Management.

Committees Reporting to Executive Management

Sogelife's Executive Management has established five committees with specific areas of expertise that form an integral part of the risk management system. These committees, which meet regularly, include members of the Executive Management, key function holders, and other members of the company's management to cover various risk domains inherent in the business.
They include:

- Finance and Risk Committee
- Technical Committee
- New Product Committee
- Internal Control Committee
- Compliance Committee

The roles and responsibilities of these various committees are further detailed in the risk management system overview (see Section B.3.1.2).

1.2 Remuneration Policy and Practices

In accordance with the requirements of the Solvency 2 Directive, Sogelife has adopted a remuneration policy.

This policy aims to make remuneration an effective tool for attracting and retaining employees, contributing to the long-term performance of the company while ensuring proper risk management and compliance by employees. It considers the provisions on remuneration included in the Solvency 2 Directive. This Directive requires the implementation of a remuneration policy aligned with the enterprise and risk management strategies, incorporating conflict of interest prevention measures, promoting sound and effective risk management, and avoiding excessive risk-taking beyond the company's tolerance level. It also mandates a balanced structure between fixed and variable components, with deferred payment of a significant portion of the variable remuneration for employees with material impact on the entity's risk profile.

Specifically, the policy aims to:

- Establish the general framework and guiding principles for remuneration and employee benefits;
- Outline the roles and responsibilities of each actor and formalise clear and efficient governance rules;
- Define Sogelife's specific remuneration principles under Solvency 2 to prevent risk-taking behaviour and ensure that the remuneration system aligns employees' personal goals with the company's long-term interests.

This policy applies to all Sogelife employees.

It is also noted that no attendance fees are paid to the Board of Directors members for their role.

1.3 Other information

Sogelife did not enter into any significant transactions during the reporting period with shareholders, persons exerting significant influence, or members of the administrative, management, or supervisory bodies.

2 – Fit and Proper Requirements

The policy on fitness and propriety requirements applied within Sogelife ensures that individuals responsible for leading the company or holding key functions within it:

- Possess the qualifications, knowledge, and professional experience necessary to supervise and manage the company's activities in a professional, sound, and prudent manner (fitness);

- Have a good reputation and high standards of integrity (propriety).

3 – Risk management system, including the internal assessment of risks and solvency

3.1 Risk Management System

3.1.1 General overview

Sogelife's risk management system aims to detect, measure, monitor, manage, and report on a continuous basis the main risks, at both individual and aggregate levels, to which Sogelife is or may be exposed, in order to achieve its strategic objectives, as well as the interdependencies among its key risks.

The risk management system is overseen by the governance bodies (Board of Directors, Executive Management, and key functions) and is based on the following main components:

The bodies chaired by Sogelife's Executive Management (Technical Committee and Finance and Risk Committee) or originating from the Board of Directors (CACIR), which ensure cross-functional risk management and appropriate reporting for informed decision-making;

Risk management tools that support decision-making: risk mapping, written policies, monitoring indicators, risk management processes, and internal assessment of risks and solvency.

To meet its objectives, the risk management system is integrated into Sogelife's organisational structure and decision-making processes. It is based on the following principles:

- Strong involvement from the Executive Management and Board of Directors;
- Embodiment of key functions and cooperation between the Actuarial and Risk Management key functions;
- Integration of the system into the organisational structure and decision-making processes;
- Close cooperation with the internal control system;
- Clear separation of roles and responsibilities to avoid potential conflicts of interest:
- "Those responsible for performing tasks should not be responsible for monitoring and controlling those tasks."
- Close cooperation between the risk management systems of Sogelife and Sogécap.

3.1.2 Implementation of the risk management system

The implementation of the risk management system is the responsibility of Sogelife's governance bodies and key functions, through the use of risk management tools and decisions made by the various established committees. This section outlines the responsibilities assigned to the governing bodies as well as the main written risk management policies. The internal risk and solvency assessment is presented in section 3.2.

Governing bodies

Audit, Internal Control, and Risk Committee (CACIR)

This committee, under the authority of the Board of Directors, meets at least twice a year. Its main responsibilities are:

- Monitoring financial and prudential information,
- Monitoring internal control,
- Monitoring risk management,
- Overseeing the statutory audit of the annual accounts and the independence of statutory auditors,
- Reviewing the entity's internal control program,
- Monitoring Compliance activities (including Financial Security),
- Monitoring the performance of the statutory audit tasks,
- Approving the provision of services other than account certification (SACC).

Finance and Risks Committee

This committee, under the authority of Sogelife's Executive Management, meets at least twice a year. Its missions include:

- Validating risk policies related to ALM (Asset-Liability Management) and Investments,
- Monitoring the implementation of risk policies related to ALM and Investments,
- Reviewing and validating economic and financial strategies,
- Determining strategic asset allocation,
- Validating investment proposals in line with Board-approved guidelines,
- Monitoring investment reporting,
- Reviewing and validating asset exposures against Board-defined limits,
- Monitoring financial management reporting,
- Presenting results of ALM studies,
- Validating options retained in models,
- Preparing activity reports for the CACIR.

Technical Committee

This committee, under Sogelife's Executive Management, meets once a year. Its responsibilities include:

- Validating risk policies related to Underwriting, Reserving, and Reinsurance,
- Monitoring implementation of risk policies related to Underwriting, Reserving, and Reinsurance,
- Validating reserve levels,
- Approving reinsurance strategies, underwriting strategies, and pricing.

New Product Committee

This committee, under Sogelife's Executive Management, meets as needed to thoroughly review all risks associated with the launch of a new product.

Following its risk review, the committee may decide:

- Approval,
- Conditional approval: conditions to be met before or after market launch,
- Rejection.

The approval decision is only valid for a limited time, which is determined by the Committee.

The New Product Committee also oversees outsourcing risk governance (see Section B.7 Outsourcing).

Compliance Committee

This committee, under Sogelife's Executive Management and initiated in late 2019, meets quarterly to identify:

- Key events from the past quarter,
- Progress of the compliance action plan,
- Major compliance incidents,
- Relations with main supervisory authorities,
- Financial security activities (KYC, AML/CFT, Sanctions/Embargos),
- Regulatory risks,
- Actions and incidents related to data protection,
- Follow-up on compliance recommendations from audits and from supervisory authorities,
- New product activities.

Internal Control Committee

The mission of the Internal Control Committee is to:

- Ensure the overall consistency and effectiveness of internal control,
- Analyze various control results and indicators,
- Validate and coordinate actions taken or to be taken to correct identified deficiencies and improve internal control effectiveness.

Risk management tools

Risk Mapping and Risk Register

Sogelife has a risk map that consolidates all identified risks to which the company is or could be exposed. These include operational risks, strategic and governance risks, emerging and external risks, and reputational risks.

The risk mapping exercise consists of a self-assessment of risks by operational managers using a top-down approach in terms of granularity. Risks are assessed based on their impact, likelihood of occurrence, and level of coverage.

These evaluations, which must be proportionate and enterprise-wide, are reviewed by the internal control team using available data (operational losses, managerial oversight, audit reports, KRIs, etc.).

The risk map is updated annually. This annual review ensures that the control mechanisms are adequate for the major risk areas and, if necessary, initiates the required adjustments.

Written policies

The key risks inherent to Sogelife's activities are covered by written risk management policies. These policies formalise the principles, processes, and procedures implemented by the company to ensure effective risk management.

To adapt these policies to internal and external factors influencing the risks to which Sogelife is exposed, they are updated at least annually.

A dedicated person is assigned to each policy.

GLOBAL RISK MANAGEMENT POLICY

GLOBAL RISK MANAGEMENT POLICY

The purpose of this document is to describe the global risk management policy by outlining the risk management strategy. This strategy is based on objectives, key risk management principles, a risk appetite framework, and a clear allocation of responsibilities within the company.

INVESTMENT RISK POLICY

This policy outlines the principles to be followed when making investments. It includes thresholds and limits approved by governance bodies. These provisions aim to comply with the so-called «prudent person» principle.

ALM RISK POLICY

This policy details the principles and limits to be followed, as well as studies and reporting required for the long-term management of the company, including capital management.

CAPITAL MANAGEMENT POLICY

This policy defines the governance, procedures, and controls implemented for capital management: assessment of capital needs, monitoring compliance with applicable regulatory capital requirements, and alert thresholds related to the coverage ratio of capital needs.

UNDERWRITING RISK POLICY

Underwriting risk is governed by rules that define product design conditions (risks, guarantees, product families), underwriting conditions (processes, thresholds, and limits), and the related reporting and control mechanisms.

PROVISIONING RISK POLICY

The goal of the provisioning policy is to ensure that Sogelife accurately reflects its liabilities across all covered risks, in compliance with statutory, IFRS, and prudential accounting standards. It defines the framework for calculating technical provisions across all required standards.

REINSURANCE RISK POLICY

This policy describes the entire process for establishing a reinsurance plan (needs assessment, thresholds, limits, and reinsurer selection, including required financial strength criteria), as well as the reporting and monitoring procedures.

INTERNAL RISK AND SOLVENCY ASSESSMENT POLICY (ORSA)

This policy outlines the processes and procedures for conducting the internal assessment of risks and solvency based on Sogelife's risk profile, risk tolerance limits, and overall solvency needs. It also includes a description of the methods and methodologies used by Sogelife to conduct the ORSA.

OPERATIONAL RISK MANAGEMENT POLICY

This framework is designed to identify operational risks, measure their potential financial impact, and implement and verify the effectiveness of controls or mechanisms to mitigate them.

3.2 Internal Risk and Solvency Assessment (ORSA)

The overall solvency assessment is conducted within a framework defined by the Executive Management of Sogelife.

This assessment is based on the calculation of capital requirements and normative results for each year of the business plan. These calculations are carried out using a central scenario and adverse scenarios.

ORSA enables the Executive Management and the Board of Directors to have a forward-looking view of the risks Sogelife is exposed to in achieving its short- and medium-term strategic objectives. ORSA is a key component of the risk management framework.

The ORSA report is submitted by the Risk Management function of Sogelife to the Board of Directors for approval before submission to the Supervisory Authority.

The key steps of the ORSA process are carried out as follows:
- Definition of the risk profile,
- Assessment of the adequacy of the risk profile with the standard formula,
- Definition of the risk appetite,
- Definition of stress scenarios,
- Overall solvency assessment,
- Definition of management actions,
- Presentation of the ORSA report to the Board of Directors,
- Submission to the regulator.

Frequency

The overall solvency need is calculated at least once per year. If necessary, an *ad-hoc* ORSA may be conducted in case of a deterioration in solvency detected through the monitoring of the capital coverage ratio, or in case of significant acquisitions or divestitures.

Solvency Needs

The assessment of solvency needs stems from an ongoing process of monitoring the risk profile. As part of this, the company has implemented the following mechanisms:
- Annual formalisation of the risk profile,
- Annual validation of the risk appetite framework,
- Validation of the budgetary trajectory in line with risk appetite thresholds,
- Execution of prospective stress and sensitivity tests.

To manage the identified risks, governance is structured as follows:
- Formalisation of the risk management framework through policies validated annually by the Board of Directors,
- Implementation of a dedicated committee system for the approval of material changes to marketed products and any new product.

4 – Internal control system

4.1 Definition and Objectives of Internal Control

4.1.1 General overview

Internal control is defined as all the measures implemented on a continuous basis to ensure that operations carried out, the organisation, and the procedures in place comply with: legal and regulatory provisions, professional and ethical standards, internal rules and directives set by the executive body of the company. Its main objectives are:
- To prevent malfunctions,
- To ensure the adequacy and proper functioning of internal processes, especially those considered sensitive,
- To guarantee the reliability, integrity, and availability of financial, prudential, and management information,
- To verify the quality of information and communication systems.

Sogelife's internal control framework is based on the "Three Lines of Defense" model, where the internal control system represents the first two lines:
- The first line of defense consists of level 1 internal controls carried out by the business units and operational departments,
- The second line of defense consists of an independent team, separate from the business units and operational departments, that supervises the deployment and correct execution of the first line of defense and continuously assesses its suitability and effectiveness by performing level 2 internal controls.

To achieve these objectives, Sogelife's internal control system is based on:
- Strong involvement from Executive Management and the Board of Directors,
- The embodiment of the Compliance function and its cooperation with other key functions, particularly Risk Management,
- Close collaboration between the Compliance function and the Legal Department,
- Consistent implementation of internal control tools and processes across the entire scope of Sogelife.

4.1.2 Organisation

The organisation and management of the internal control system is under the responsibility of Sogelife's General Secretariat.

It comprises of three departments working in close coordination while maintaining strict independence:
- The Compliance Department (including anti-money laundering and counter-terrorism financing activities), which supports the key Compliance function,
- The Internal Control Department, responsible for managing the internal control system,
- The Legal and Tax Affairs Department, whose mission includes:
  - Ensuring the legal and tax security of Sogelife's commitments,
  - Monitoring legal developments and assessing the impact of any legislative or regulatory changes,
  - Providing advice to Sogelife's Executive Management regarding their activities, investments, and relationships with service providers.

4.2 Implementation of the Internal Control System

4.2.1 Governing bodies

Audit, Internal Control, and Risk Committee (CACIR)

This committee, established by the Board of Directors, meets at least twice a year. Its main responsibilities have been described in section B.3.1.2.

Internal Control Committee

The Internal Control Committee is tasked with:
- Ensuring the overall coherence and effectiveness of internal control,
- Analyzing the main identified dysfunctions,
- Validating and coordinating actions taken, or to be taken, to remedy these issues or improve the effectiveness of internal control.

4.2.2 Internal control tools

Written policies

Internal control system policies formalise the principles, processes, and procedures implemented by Sogelife.

To adapt to internal and external factors affecting the risks to which Sogelife is exposed, these policies are reviewed and updated at least annually.

The internal control system includes the following policies:

INTERNAL CONTROL POLICIES

INTERNAL CONTROL POLICY
This policy describes the internal control framework of Sogelife and specifies how it is implemented, including principles, tools, responsibilities, and tasks.

COMPLIANCE VERIFICATION POLICY
This policy outlines the framework for managing non-compliance risk and details:
- The governance of the Compliance Verification function,
- Its characteristics (objectives, scope of action, etc.),
- Its missions (identify and prevent compliance risks, advise and train, monitor and report, lead and coordinate),
- Compliance verification tools (compliance risk mapping, verification plan, control plan, and management of compliance incidents).

This policy is reviewed whenever modifications or additions are needed and at least once per year.

OUTSOURCING POLICY (see B.7)
This policy defines the principles applicable to outsourcing, particularly during the study phase of an outsourcing project and the monitoring of outsourced services, especially for activities or operational functions considered "important or critical."

FIT AND PROPER POLICY (see B.2)
This policy is primarily intended to ensure that all individuals who effectively manage Sogelife or occupy key functions continuously meet the required standards of competence and integrity (qualifications, knowledge, professional experience, reputation, integrity).

Level 1 Internal Control

Level 1 internal control refers to all measures implemented on an ongoing basis to ensure, at the operational level, the regularity, validity, and security of operations. It is the responsibility of the operational departments.
It involves all employees and is based on:
- The continuous compliance by each employee, for every transaction they handle, with current rules and procedures,
- The regular verification by management of compliance with these procedures.

Based on these practices, Level 1 internal control distinguishes two types of controls:
- Operational controls, integrated into procedures and performed by each employee as part of their daily activities,
- Managerial supervision, a formal review by management to ensure that operational controls are properly performed.

Level 2 Internal Control

Level 2 internal control is responsible for overseeing the implementation and proper functioning of Level 1 control mechanisms and for continuously assessing their adequacy with organisational structures and processes, as well as their overall effectiveness. This control is carried out by a team that is independent from operational units and solely dedicated to this task.

The review involves a quantitative and qualitative analysis of the various Level 1 internal control systems as well as managerial supervision (relevance, definition of operating procedures, quality of execution, supporting documentation, follow-up of corrective actions).

These reviews result in the issuance of a formal opinion by Level 2 control teams on the effectiveness of Level 1 controls within the assessed scope, along with recommendations if necessary.

Monitoring of Compliance Incidents

Monitoring of compliance issues is based on a real-time alert system deployed across Sogelife, and on a formal quarterly report. In 2024, no incident was ultimately classified as a compliance breach.

New Product Approval Procedure

The product approval procedure is deployed and in effect throughout the business line.

Governance transformation efforts conducted within the business line have strengthened the entire product approval and oversight process.

The new system was implemented during 2024, including: an update to the Sogécap Group's policy, use of a Group tool for risk assessment and tracking of New Product Committees.

One new product was created in 2024.

Monitoring of Regulator Interactions and Missions

Missions and relationships with regulators are centrally monitored at Sogelife. Recommendations from regulators are subject to specific tracking and reporting.

In 2024, a mission was conducted by the Commissariat aux Assurances covering the following topics: Technical provisions, Investment management, Claims handling, Reinsurance policy, Solvency. No injunctions were issued as of this report.

Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) Framework

Sogelife's AML/CTF system is aligned with local regulatory requirements and is based in particular on an alert system covering transactions on in-force contracts, used to detect unusual activity related to the origin of funds and, if necessary, trigger declarations to the Luxembourg public prosecutor and ongoing training and awareness programs for staff.

5 – Internal audit function

5.1 General Presentation of the Internal Audit Function

Under the "three lines of defense" model applied by Sogelife, Internal Audit being a strictly independent periodic control from business lines and internal control represents the third line of defense.

5.1.1 Responsibilities

This function is assigned to a Board Member of Sogelife who supervises the internal audit control activities that Sogelife has delegated to Sogécap.

Sogelife's internal audit activity, like that of other Sogécap group entities, is outsourced to the Inspection and Audit Department (IGAD) of Société Générale, based on an agreement dated

27/01/2016 between IGAD and Sogécap, acting on its own behalf and on behalf of its subsidiary companies.

Accordingly, IGAD handles the operational execution of periodic control activities for all of Sogelife's business areas across the main risk categories: operational risk, insurance risk, counterparty risk, and market risk. For highly technical subjects (legal, tax, IT, modeling, and accounting), IGAD relies on its specialised audit teams.

These services are governed by the outsourcing policy and are classified as important or critical functions. The conditions under which these services are delivered and controlled are detailed in the aforementioned 27/01/2016 agreement.

In terms of resources, coverage of Sogelife's scope is determined by the forecast budget for missions included in the Sogécap Group's audit plan, as validated by the Boards of Directors of Sogécap and Sogelife.

The work performed by the internal audit function is guided by IGAD's audit methodology, applied according to the reviewed area. Each audit mission results in a report that includes a summary and recommendations, which are subsequently tracked in coordination with Sogelife's Internal Control Department.

5.1.2 Organisation of Internal Audit Missions

The audit plan for Sogelife is developed on a multi-year basis. The audit missions cover the entire scope and are determined following a risk assessment of each department or service of the company and an estimate of the required time budget. This assessment is supplemented by the rating of the last audit mission and the date it was conducted.

Special or unscheduled missions may also be performed at the request of Sogelife's Executive Management.

5.1.3 Reporting and Follow-up

Each mission results in a presentation to the management of the relevant department, outlining the findings and recommendations.

A report is sent to the department for comments and to formalise an action plan and timeline for implementing the recommendations.

The finalised report is shared with Sogelife's Executive Management.

The detailed audit plan for the year is presented to the CACIR during its meeting at the end of the previous financial year.

The audit work results, findings, and the follow-up on the implementation of audit recommendations are presented to the Audit, Internal Control, and Risk Committee.

5.2 Independence and Objectivity of the Internal Audit Function

Internal Audit, which is responsible for Periodic Control, is organisationally separated from Internal Control.

Reports (dashboards, audit missions) are periodically reviewed by the Executive Committee of Sogelife and within various specialised committees.

The independence and effectiveness of the Internal Audit function are also assessed and guaranteed by the Audit, Internal Control, and Risk Committee, which emanates from the Board of Directors of Sogelife as referenced in section 1 above.

6 – Actuarial function

The Actuarial Function at Sogelife is fulfilled by the Head of Financial and Actuarial Supervision of Sogelife.

6.1 Mission of the Actuarial Function

The Actuarial Function is a key contributor to Sogelife's risk management system. Through its expertise, it supports the management of technical risks, which constitute a major component of the company's overall risk profile. The responsibilities entrusted to the Head of the Actuarial Function revolve around three main pillars:

- Coordinating the calculation of technical provisions,
- Reviewing the underwriting policy and the adequacy of the reinsurance program in light of the company's risk profile,
- Contributing to the implementation of the risk management system and to the ORSA process.

The Head of the Actuarial Function reports to the Managing Director of Sogelife, is a member of the Executive Committee, and does not have any hierarchical link with the managers of the activities they supervise. This positioning ensures the independence required to carry out their responsibilities.

6.2 Implementation of the Actuarial Function

The Actuarial Function has access to all the resources necessary to fulfill its assigned responsibilities. The function holder is also involved in various committees of the Board of Directors and Executive Management concerning matters within their scope.

It plays a role in the monitoring of technical risks, including the review of the technical provisions calculation (and data quality), the underwriting risk, and the appropriateness of the reinsurance arrangements given the company's risk profile.

Accordingly, it contributes to the implementation of the risk management system through the analysis and monitoring of these technical risks and through its involvement in the ORSA process.

The work carried out by the Actuarial Function, along with the resulting conclusions and recommendations, is formalised in an annual actuarial report, which is presented to Executive Management and the Board of Directors of Sogelife.

These efforts also help assess the uncertainty surrounding the valuation of technical provisions.

7 – Outsourcing

The principles for managing outsourcing are detailed in a dedicated policy ("Sogelife Outsourcing Policy"), approved by the Board of Directors of Sogelife.

7.1 General Principles

Outsourcing a task to a third party, to another entity within the Société Générale Group, or within the Sogécap Group, is a common practice. However, this practice may alter the risk profile associated with the service. Outsourcing may:

- Introduce specific risks, such as dependency on a third party – for example, when certain specialised activities for all institutions are concentrated with a very limited number of providers;
- Lead to increased operational risk, especially when services are entrusted to third parties whose internal control system is less robust than that of Sogelife or who are subject to less stringent regulatory oversight;
- Prove non-compliant with regulations applicable to Sogelife, or cause compliance risks in the event of provider failure.

However, outsourcing can also enhance risk management, especially when the service is performed by a provider with greater expertise or stronger controls than the originating entity.

In all cases, Sogelife remains responsible for the outsourced activity and the quality of service provided.

Outsourcing is thus subject to specific monitoring under the internal control system and must not result in a degradation of risk control.

7.2 Implementation of the Outsourcing Framework

In general, all outsourcing projects must undergo a prior formalised risk analysis, particularly to assess whether the resulting activity is to be considered "important or critical."

Outsourced activities are subject to continuous monitoring. The collected data must help identify potential weaknesses, challenge proposed mitigation plans, and monitor their implementation (within the limits of contractual arrangements).

Since the outsourced activity remains the responsibility of the entity that initiated the outsourcing, it remains within the scope of Sogelife Internal Audit, like any other activity.

Enhanced measures apply to all outsourcing operations when they involve:

- A function or activity considered "important or critical",
- A key function under the Solvency 2 governance system.

In such cases, specific provisions are required regarding:

- Notification of supervisory authorities,
- Contractual obligations,
- Reporting requirements.

7.3 Important or Critical Outsourced Operational Functions

The following are considered important or critical outsourced functions and activities for Sogelife:

OUTSOURCED SERVICE	TYPE OF PROVIDER	PROVIDER LOCATION
Client mail production and printing	Intra-group	Luxembourg
IT services (infrastructure, network, etc.)	Intra-group	Luxembourg
Securities accounting	Intra-group	France
ALM management and Solvency 2 calculations	Intra-group	France
Reference data filtering	Intra-group	France
Internal audit	Intra-group	Luxembourg

These intra-group service providers are monitored under the internal control framework to ensure reliability, financial soundness, and business continuity in emergencies or disruptions.

Daily operational monitoring is conducted by the business line managers of the outsourced activities, in collaboration with the Sogelife Internal Control Department, through risk and activity indicators, monitoring committees, and audit missions, where necessary.

8 – Other information

All relevant governance system information has been covered in sections B1 to B7.

C – RISK PROFILE

1 – Introduction

Sogelife conducts its life insurance business through the distribution of a broad range of life insurance savings and capitalisation contracts.

As such, market risks represent its most significant exposure.

Sogelife and Sogécap operate as insurance companies within the Sogécap Group. Under a service agreement between Sogelife and Sogécap, Sogécap provides its expertise to Sogelife in the areas of risk management, investment, and accounting.

Furthermore, Sogelife reinsures 100% of its euro-denominated liabilities with Sogécap. Thus, Sogelife's risk profile is closely linked to Sogécap's, especially regarding ALM and financial risks.

Within market risks, Sogelife is particularly sensitive to shocks in interest rates, equity markets, and credit spreads. Among life underwriting risks, lapse risk is also significant.

Through its various components, Sogelife's risk management system aims to continuously ensure effective control of all risks. This system allows the identification, measurement, control, management, and reporting of risks to which the company is or may be exposed, along with implementing appropriate mitigation measures when necessary.

Policies approved by the Board of Directors define the risk-taking framework, formalising governance and key metrics for each risk category.

Given Sogelife's operations, its risk management policy focuses on the following main risks, each of which may impact its business, results, or financial position:

- **ALM risks** (asset-liability management), including market, credit, and liquidity risks – Sogelife is primarily exposed to ALM risks;
- **Technical risks**, including life underwriting risks, which may be biometric (e.g., mortality) or linked to policyholder behaviour (e.g., lapse risk);
- **Operational and other risks**, including strategic, reputational, and risks of losses or sanctions, notably due to failures in procedures and systems, human error, or external events.

Sogelife uses the standard formula to assess its capital requirements.

Sections 2 to 7 detail the company's risk profile in terms of exposure, concentration, and sensitivities, as well as the risk mitigation measures implemented, following the structure of the SCR modules.

The Own Risk and Solvency Assessment (ORSA) is conducted annually within a framework defined by the Executive Management in coordination with the relevant functions. This process ensures regular updates of the assessments and alignment with the company's risk appetite framework.

The following table provides a summary of Sogelife's exposure to key risks, assessed using their respective SCR modules for the reporting period:

(In thousands of euros)	December 31, 2024
Net SCR by risk module included in the basic SCR	
Market risk	308,187
Counterparty risk	8,431
Life underwriting risk	79,797
Diversification	-56,783
Basic Solvency Capital Requirement (net)	**339,632**
Operational risk	155,556
Capacity for absorbing losses through deferred tax	-15,399
Solvency Capital Requirement	**479,789**

2 – Underwriting risk

2.1 Exposure and Assessment Methods

Underwriting risk refers to the risk of a loss in capital due to unfavorable developments in one or more risk factors (*e.g.*, lapse, mortality, expenses).

It is overseen by a Technical Committee and a New Product Committee, both chaired by Executive Management.

The Technical Committee ensures the implementation of the underwriting policy and monitors related indicators.

Furthermore, any new product or major transformation of an existing product must be submitted for approval prior to implementation (New Product Approval Process).

Below is a summary of the main underwriting risks inherent in Sogelife's activities:

UNDERWRITING RISKS	DESCRIPTION
Lapse Risk	The risk that lapses (policy surrenders) increase in frequency or volatility, impacting financial income and loadings collected on surrendered contracts. Massive lapses could expose Sogelife to losses from asset disposals at unrealised losses.
Mortality Risk	The risk of loss on savings contracts due to underestimation or changes in the level, trend, or volatility of mortality rates.
Expense Risk	The risk that actual operating expenses (staff, distribution commissions, IT infrastructure, etc.) exceed the initially projected level.

2.2 Concentration of Underwriting Risk

Sogelife is primarily exposed to lapse risk due to the dominance of euro- and dollar-denominated funds in its life insurance savings and capitalisation contracts.

2.3 Mitigation of Underwriting Risk

Given its portfolio mainly consists of life insurance savings contracts with discretionary profit-sharing, Sogelife is primarily exposed to lapse risk before factoring in the absorptive capacity of technical provisions. This capacity reflects the ability to reduce the level of discretionary profit-sharing granted to policyholders, thus mitigating the impact of lapse risk in an adverse economic environment.

Additionally, the guarantees provided under the reinsurance treaty with Sogécap serve as a second level of risk mitigation.

2.4 Sensitivity to Underwriting Risk

Sogelife measures the sensitivity of its main risks on its solvency ratio using shock scenarios that impact both assets and liabilities.

3 – Market risk

3.1 Exposure to Market Risk and Assessment Methods

Market risk is defined as the risk of a loss in the value of financial instruments due to changes in market parameters, the volatility of those parameters, and correlations between them. The relevant parameters include exchange rates, interest rates, and the prices of securities (*e.g.*, equities, bonds), as well as other assets such as real estate.

Sogelife is mainly exposed to market risk through its guaranteed euro-denominated fund, which is reinsured by Sogécap, and to a lesser extent through its USD-denominated fund. The market risk of the euro fund is managed by the ALM and Risk Management Committee of Sogécap (under the Board of Directors), while the USD fund is overseen by the Finance and Risk Committee of Sogelife, chaired by Sogelife's CEO.

Sogelife is exposed to all market risks considered under the standard formula, including interest rate, equity, real estate, currency, concentration, and spread risks.

The asset allocation of the financial portfolio is provided in section D (paragraph 1.1.6).

The key market risks to which Sogelife is exposed (via its reinsurer Sogécap) are summarised below:

MARKET RISKS	DESCRIPTION
Interest rates	Risk that changes in the nominal interest rate curve affect asset/liability valuation, potentially leading to asset-liability mismatch.
Equity	Risk of loss due to changes in equity prices and their volatility.
Real estate	Risk of loss from fluctuations in the market value of real estate assets.
Currency	Risk of financial loss mainly due to: • exchange rate fluctuations between the euro and currencies in which Sogécap's investments are denominated; • fluctuations between the euro and currencies of unit-linked funds.
Concentration(1)	Risk that the investment portfolio is insufficiently diversified, leading to significant losses in the event of a counterparty default.
Spread(1)	Risk of loss from a widening of credit spreads, caused by changes in credit ratings or issuer default.

(1) Concentration and spread risks are detailed in the Credit Risk section (see §4).

3.2 Concentration of Market Risk

Concentration risks arise mainly from Sogécap's investments related to the reinsurance of Sogelife's euro-denominated liabilities, and to a lesser extent from Sogelife's USD fund investments.

Sogécap (for the euro fund) and Sogelife (for the USD fund) invest in various asset categories, in accordance with their investment risk management policies, based on the prudent person principle and approved by their respective Boards.

Within each asset class, exposures are diversified by geography, issuer, and sector, and implemented through thresholds, limits, and constraints.

Market risk is managed via: ALM and Risk Committee of Sogécap for the euro fund and Finance and Risk Committee of Sogelife for the USD fund

Main concentrations are captured under the standard formula via the SCR market concentration sub-module (see section 4).

3.3 Market Risk Mitigation

Under the reinsurance treaty between Sogelife and Sogécap, Sogécap is committed to paying a positive amount of financial returns.

Sogécap has implemented financial hedging strategies across its portfolios, including: caps to protect against interest rate increases, swaps and swaptions to hedge against rate decreases and equity market protection.

Sogelife's USD-denominated fund also follows an investment risk policy that monitors financial risks.

3.4 Market Risk Sensitivity

Instantaneous sensitivities of the solvency ratio to the main financial risk factors are calculated by applying isolated shocks to both assets and liabilities. These sensitivities also reflect policyholder behaviour (e.g., lapses) and are shown net of tax and net of profit-sharing to policyholders.

Summary of shocks and solvency coverage ratio impacts:

RISK FACTOR	SHOCK APPLIED	IMPACT ON SOLVENCY COVERAGE RATIO
Interest Rate Increase	+ 50 bps	-3 pts
Interest Rate Decrease	- 50 bps	0 point
Equity Market Decline (with *dampener*)	-25%	0 point
Spread Increase (with VA adjustment)	+50 bps (sovereign), +100 bps (corporate bonds)	-15 points
Real Estate Market Decline	-25%	-4 points

- **Interest Rate curve +/- 50 bps:** This sensitivity corresponds to a parallel shift of the swap rate curve by 50 basis points upwards or downwards.
- **25% decline in equity markets:** this sensitivity assesses, similarly to interest rates, the impact on the solvency coverage ratio of an immediate drop in the value of listed and unlisted equity indices. The calculation includes a regulatory mitigation mechanism (*dampener*) that reduces the equity SCR in the event of a sudden market downturn.
- **Increase in credit spreads:** this sensitivity assesses the impact on the coverage ratio of an immediate increase of 50 basis points in government bond spreads and 100 basis points in corporate bond spreads. This sensitivity is calculated with adjustment to the volatility adjustment (VA).
- **25% decline in real estate:** this sensitivity, like the equity sensitivity, measures the impact on the solvency coverage ratio of an immediate drop in real estate index values.

4 – Credit risk

4.1 Exposure to Credit Risk and Assessment Measures

Credit risk is defined as the risk of losses resulting from the inability of issuers or other counterparties of Sogelife to meet their financial obligations.

Credit risk includes both spread and default risk. Moreover, credit risk can be exacerbated by concentration risk, which arises from significant exposure to one or several counterparties.

Sogelife's credit risk management is based on the principle that any commitment involving credit risk must be supported by an in-depth understanding of the counterparty and the nature of the transaction (e.g. investments, reinsurance). Limits are established based on the quality of the counterparties or the type of securities.

Under the Standard Formula, counterparty risk also considers bank deposits and deposits with ceding companies in the risk evaluation.

4.2 Credit Risk Concentration

Through the reinsurance agreement between Sogelife and Sogécap, Sogelife is exposed to concentration risk with respect to Sogécap.

4.3 Credit Risk Mitigation

Default risk from reinsurers is mitigated through guarantees received from them, in the form of cash deposits or pledging of high-quality securities. For instance, Sogécap, Sogelife's main reinsurer rated A- by Standard & Poor's, pledges securities in favor of Sogelife for an amount at least equal to the reinsured commitments.

In addition, the implementation of thresholds and limits per counterparty serves to mitigate this risk across financial assets.

4.4 Sensitivity to credit risk

The impact of credit risk is included in the sensitivity analyses presented (see section 3.4).

5 – Liquidity risk

5.1 Exposure to Liquidity Risk and Assessment Measures

In the context of insurance operations, liquidity risk is defined as the insurer's inability to meet its contractual obligations and settle reported claims (potential losses may result from forced sales or when financial assets are invested in illiquid markets).

Overall, Sogelife is only marginally exposed to liquidity risk on the USD-guaranteed rate portfolio and remains indirectly exposed on the EUR-guaranteed rate portfolio via its reinsurer Sogécap.

Liquidity risk is governed by the Investment Risk Management Policy and the ALM Risk Management Policy, both approved by the Board of Directors. The Investment Risk Management Policy is designed to comply with the prudent person principle, particularly the requirement that all assets be invested to ensure the security, quality, liquidity, and profitability of the entire portfolio. Furthermore, asset location must ensure their availability. The ALM Risk Management Policy provides for liquidity risk analyses (*e.g.* cash flow matching between assets and liabilities, comparison of asset and liability durations, etc.). The Investment Risk Management Policy also addresses liquidity risk through the implementation of thresholds and limits.

The Finance and Risk Committee is responsible for approving the strategic asset allocation, including setting investment envelopes for low-liquidity asset classes (e.g. private equity, real estate).

Sogelife does not model any future premiums, in alignment with the contract boundary guidelines.

5.2 Liquidity Risk Concentration

The strategic asset allocation is primarily focused on liquid assets (*e.g.* government and/or international corporate bonds). Investments in typically illiquid asset classes are used strictly for diversification purposes.

5.3 Liquidity Risk Mitigation

ALM studies on liquidity risk help ensure the adequacy of Sogelife's investment structure with its insurance liabilities. Strategic asset allocation constraints also contribute to limiting this risk.

The reinsurance agreement between Sogelife and Sogécap provides protection against liquidity risk for liabilities backed by the euro-denominated guaranteed fund.

5.4 Liquidity Risk Sensitivity

Liquidity risk is subject to specific monitoring by the Finance and Risk Committee through ALM analyses, which notably include checks on the matching of asset and liability durations and interest rate sensitivity controls to hedge against surrender risk.

6 – Operational risks

6.1 Exposure to operational risk and assessment measures

Operational risk is defined as the risk of losses or penalties, in particular arising from internal process or system failures, human errors, or external events.

Sogelife actively pursues a preventive policy by securing operational processes and promoting a strong risk culture across the organisation.

The internal control system aims to ensure that all procedures, methods, and measures comply with applicable legal and regulatory requirements. It also ensures operational effectiveness and efficiency, as well as the availability, reliability, and integrity of financial and non-financial information. The Internal Control Department provides and maintains the internal control framework necessary for managing operational risk.

Sogelife uses the Standard Formula defined by European regulations to assess its operational risk.

7 – Other risks

All significant risks to which Sogelife is exposed have been described in sections C2 to C6 above.

D – VALUATION FOR SOLVENCY PURPOSES

The general principles for the valuation of assets and liabilities are those laid out in the Solvency 2 Directive, the Commissariat aux Assurances Regulation No. 15/3 of 7 December 2015, and the Insurance Sector Law of 7 December 2015.

In accordance with Article 75 of the Solvency 2 Directive, assets and liabilities are valued at their economic value, *i.e.*, the amount for which they could be exchanged, transferred, or settled in an arm's length transaction between knowledgeable and willing parties.

The economic balance sheet, derived from the statutory balance sheet, is the cornerstone of the Solvency 2 prudential framework. It forms the basis for calculating regulatory own funds and capital requirements (SCR and MCR).

Aggregated Economic Balance Sheet:

(In thousands of euros)	2024	2023	Change
Real estate and equipment held for the company's own use	147	137	10
Investments (other than assets held for the purposes of unit-linked funds)	817,330	416,352	400,978
Assets held for the purposes of unit-linked funds	7,114,139	6,233,849	880,290
Loans and mortgages	3,125	5,586	-2,461
Amounts recoverable under reinsurance contracts	7,467,421	5,849,255	1,618,166
Deposits with assignors	-	-	-
Receivables from insurers and brokers	-	26,189	-26,189
Receivables from reinsurers	16,997	-	16,997
Client receivables (non-insurance)	2,471	3,051	-
Cash and cash equivalents	96,784	162,400	-65,616
Other assets	30	2,589	-2,559
Total Assets	**15,518,445**	**12,699,409**	**2,819,036**

(In thousands of euros)	2024	2023	Change
Technical provisions - Non-life	-		580
Life technical reserves (excluding unit-linked and indexed)	7,538,093	5,955,094	1,582,999
Technical provisions - Unit-linked and indexed	7,168,380	6,252,856	915,524
Provisions other than technical provisions	-	-	-
Pension fund obligations	1,942	1,610	332
Deferred taxes - Liabilities	15,399	16,128	-729
Derivative liabilities	-	-	-
Debts with credit institutions	-	-	-
Financial debt other than with credit institutions	-	-	-
Various debts	29,678	77,652	-47,975
Subordinated debts	383,023	163,466	219,557
Other liabilities	5,040	4,713	327
Total Liabilities	**15,141,555**	**12,471,519**	**2,670,036**
S2 Excess of assets over liabilities	**376,890**	**227,890**	**149,000**

1 – Assets

(In thousands of euros)	December 31, 2024			
	Economic value	Book value	Difference	Notes
Deferred acquisition costs	-	-	-	D.1.1.1
Intangible assets	-	3,949	-3 949	D.1.1.1
Deferred tax assets	-	-	-	D.1.1.2
Real estate and equipment held for the company's own use	147		-	D.1.1.3
Investments (other than assets held for unit-linked funds) - Liaison Account	817,330	841,581	-24,251	
Real estate (other than for the company's own use)	-	-	-	D.1.1.4
Holdings	-	-	-	D.1.1.5
Shares	9	5	4	D.1.1.6
Bonds	654,309	678,269	-23,960	D.1.1.6
Guaranteed securities	-	-	-	D.1.1.6
Investment funds	101,416	101,712	-296	D.1.1.6
Derivative - assets	-	-	-	D.1.1.6
Deposits other than cash equivalents	61,595	61,595	-	D.1.1.6.1.6
Other investments	-	-	-	D.1.1
Assets held for the purposes of unit-linked funds	7,114,139	7,113,102	1,037	D.1.1.7
Loans and mortgages	3,125	3,125	-	D.1.1.8
Amounts recoverable under reinsurance contracts	7,467,421	7,405,341	62,080	D.1.1.9
Deposits with assignors	-	-	-	D.1.1.10
Receivables from insurers and brokers	-	-	-	D.1
Receivables from reinsurers	16,997	16,997	-	D.1.1.10
Client receivables (non-insurance)	2,471	-	-	D.1.1.11
Cash and cash equivalents	96,784	96,784	-	D.1.1.12
Other assets	30	30	-	D.1.1.13
Total assets	**15,518,445**	**15,483,528**	**34,916**	

1.1 Principles, Methods and Key Assumptions Used for the Valuation of Assets

This section outlines, for each asset category, the principles, methods, and key assumptions used to determine the economic value of assets under the Solvency 2 balance sheet. Valuation differences correspond to the reconciliation reserve within Solvency 2 own funds. Where material, differences between the values recorded in the prudential balance sheet and those in the statutory balance sheet are explained.

1.1.1 Intangible Assets and Deferred Acquisition Costs (DAC)

Intangible assets: these include software and software licenses tailored to the company's environment, which cannot be resold. Under Solvency 2, they are recorded at zero economic value (via an adjustment that eliminates their book values).

Deferred acquisition costs (DAC): under Solvency 2, loadings charged to policyholders and acquisition costs incurred by the company before the reporting date are not deferred and are immediately and fully deducted from own funds. Deferred loadings and acquisition costs recognised in the statutory accounts are therefore eliminated from the Solvency 2 balance sheet as they are no longer applicable.

MATERIAL VALUATION DIFFERENCES	S2	STATUTORY
	-	€3,949 K

- The value of intangible assets recorded in the statutory balance sheet corresponds to acquisition cost, net of amortisation and any impairment. The zero value retained in the Solvency 2 balance sheet results in a difference of €3,949 K for this item.

1.1.2 Deferred Tax Assets

Sogelife is in a deferred tax liability position in its economic balance sheet as at 31 December 2024. (see section D.3.1.4)

1.1.3 Tangible Operating Assets and Owner-Occupied Property

Tangible operating assets are valued at amortised cost, which is considered the best approximation of their realisable value.

1.1.4 Investment Property

Sogelife does not hold any investment property.

1.1.5 Participations

Sogelife does not hold any participating interests.

1.1.6 Financial Investments

Financial investments are measured at fair value in the Solvency 2 balance sheet using the valuation methods described below. The revaluation of financial assets affects the reconciliation reserve and leads to the recognition of deferred tax liabilities.

Valuation method

The fair value used to assess a financial instrument is, first and foremost, the quoted price when the instrument is listed on an active market. In the absence of an active market, fair value is determined using valuation techniques.

A financial instrument is considered quoted on an active market if prices are readily and regularly available from a stock exchange, broker, dealer, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions conducted under normal competitive conditions.

The assessment of whether a market is inactive is based on indicators such as a significant decline in transaction volume and market activity, wide variations in available prices over time and between market participants (as mentioned above), or the age of the last observed transaction under normal competitive conditions.

When no direct quote exists for a given financial instrument, but its components are quoted, fair value is taken as the sum of the quoted prices of its individual components, incorporating bid and ask prices based on the net position.

If the market for a financial instrument is not or is no longer considered active, its fair value is determined using valuation techniques (internal valuation models). These may include, depending on the instrument, data from recent arm's length transactions, fair values of substantially similar instruments, discounted cash flow models, option pricing models, adjusted valuation parameters, or a net book value approach.

If valuation techniques commonly used by market participants are available and have proven to produce reliable estimates of prices in actual market transactions, Sogelife may apply those techniques.

Use of internal assumptions related to future cash flows and appropriately risk-adjusted discount rates—as a market participant would apply—is permitted. These adjustments are applied reasonably and appropriately after reviewing available information. Internal assumptions may account for counterparty risk, non-performance risk, liquidity risk, and model risk where applicable.

Observable inputs must meet the following characteristics: they must be non-proprietary (independent data), publicly available, published, consensus-based, and substantiated by actual transaction prices.

For example, consensus data provided by external counterparties are considered observable if the underlying market is liquid and the quoted prices are confirmed by actual transactions.

The methods used to determine the fair value of financial assets under the Solvency 2 balance sheet are similar to those prescribed under IFRS 13. Valuation methods are classified into three levels, reflecting the significance of the inputs used:

- **Level 1:** instruments valued using quoted prices (unadjusted) in active markets for identical assets or liabilities. These mainly include equities, bonds, mutual funds (UCITS), and derivatives.
- **Level 2:** instruments valued using inputs other than quoted prices included in Level 1, which are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices). Published prices derived from the valuation of similar instruments by an external source are considered price-derived data. These mainly relate to financial instruments quoted on markets deemed insufficiently active and over-the-counter instruments.
- **Level 3:** instruments for which fair value is determined using a valuation model that includes unobservable inputs. These mainly include shares in real estate companies (SCI), properties, private equity funds, unlisted shares, bonds valued using models with extrapolated data, and unlisted structured products whose returns are linked to indices, baskets of shares, or interest rates.

Under the Solvency 2 framework: levels 1 and 2 correspond to QMP (Quoted Market Price) and Level 3 corresponds to AVM (Alternative Valuation Method).

	S2	STATUTORY
MATERIAL VALUATION DIFFERENCES	**€817,330 K**	**€841,581 K**

- The economic balance sheet is built from the data recorded in the statutory balance sheet, requiring the replacement of amortised cost net of impairment for all financial assets (as per Article 64 of the Law of 8 December 1994 on annual and consolidated accounts) with fair value.
- Thus, for amortisable assets, the economic valuation leads to:
  - Reversing premiums/discounts (as these are included in the market value),
  - Reversing accrued interest, since market values used are clean prices (*i.e.*, excluding accrued interest).

The table below details Sogelife's financial investments, including those representing unit-linked contracts, according to the valuation method used in the Solvency 2 balance sheet.

(In thousands of euros)	S2 Valuation method**	S2 Balance sheet	Statutory balance sheet	Difference
Financial investments excluding unit-linked funds*		**917,239**	**941,490**	**-24,251**
Sovereign bonds	QMP	347,616	364,926	-17,311
Sovereign bonds	AVM	-	-	-
Corporate bonds	QMP	299,707	305,731	-6,025
Corporate bonds	AVM	5,932	6,444	-512
Shares	QMP	9	5	4
Shares	AVM	-		-
Investment funds	QMP	101,400	101,820	-421
Investment funds	AVM	17	16	1
Structured securities	QMP	1,013	1,001	11
Structured securities	AVM	42	41	1
Guaranteed securities	QMP	-	-	-
Guaranteed securities	AVM	-	-	-
Cash and deposits	QMP	158,379	158,379	-
Cash and deposits	AVM	-	-	-
Loans and mortgages	QMP	-	-	-
Loans and mortgages	AVM	3,125	3,125	-
Real estate	QMP	-	-	-
Real estate	AVM	-	-	-
Derivatives	QMP	-	-	-
Derivatives	AVM	-	-	-
Financial investments representing unit-linked contracts		**7,114,139**	**7,113,102**	**1,037**
Financial investments representing unit-linked contracts	QMP	7,041,723	7,040,459	1,264
	AVM	72,416	72,644	-228
Total financial investments*		**8,031,378**	**8,054,593**	**-23,214**

*Excludes investment property, participations, and loans, presented respectively in sections 1.1.4, 1.1.5, and 1.1.8.
**AVM = Alternative Valuation Method; QMP = Quoted Market Price.

1.1.7 Financial Assets Representing Obligations Where Investment Risk is Borne by Policyholders

Investments covering insurance or investment contracts where the financial risk is borne by the policyholders are presented at market value in a separate item on the Solvency 2 balance sheet.

MATERIAL VALUATION DIFFERENCES	S2	STATUTORY
	€7,114,139 K	**€7,113,102 K**

In the statutory balance sheet, these assets are measured using the same valuation method, resulting in no significant difference. However, in line with the EIOPA XBRL Filing Rules for Solvency 2 reporting, a single market price per asset must be used across all Group entities. Sogelife therefore made some market price adjustments to align with those used by Sogécap in Solvency 2 reporting (resulting in a difference of €1,037 K).

1.1.8 Deposits Other Than Cash Equivalents

The economic value of term deposits is determined by discounting future cash flows. However, given the immateriality, these items are not discounted, and the statutory book value is retained.

1.1.9 Reinsurers' Share in Technical Provisions

Ceded technical provisions are determined based on a Best Estimate that reflects potential losses in case of reinsurer default.

The reinsurance policy primarily relates to contracts invested in Sogelife's euro-denominated general fund. The reinsurance treaty is a quota-share arrangement. The calculation methods are detailed in section D.2.1 describing the technical actuarial calculations.

	S2	STATUTORY
MATERIAL VALUATION DIFFERENCES	**€7,467,421 K**	**€7,405,341 K**

In the statutory accounts, the reinsurers' share in technical provisions corresponds to the ceded liabilities evaluated under the Accounting Law of 8 December 1994 on annual and consolidated accounts issued by the Commissariat aux Assurances, without factoring in reinsurer default risk. The observed €62,080k difference between the Solvency 2 and statutory balance sheets stems from this difference in valuation method.

1.1.10 Deposits with Ceding Companies, Insurance & Intermediary Receivables, and Reinsurance Receivables

Depending on maturity, receivables are valued at amortised cost (if due in less than one year) or by discounting future cash flows (if due in more than one year).
For Sogelife, no receivables exceed one year; therefore, all are valued at amortised cost, as in the statutory accounts.

1.1.11 Other Receivables

Depending on maturity, receivables are valued at amortised cost (if due in less than one year) or by discounting future cash flows (if due in more than one year). For Sogelife, no receivables exceed one year; therefore, all are valued at amortised cost, as in the statutory accounts.

1.1.12 Cash and Cash Equivalents

Cash includes available funds. Cash equivalents refer to funds held in current accounts and are valued at nominal value, consistent with the statutory balance sheet.

1.1.13 Other assets

Other assets in the statutory financial statements (€30 K) correspond to non-financial accruals such as prepaid expenses. These are carried at the same value in the Solvency 2 balance sheet.

2 – Technical provisions

Solvency 2 technical provisions are calculated based on the nature of insurance liabilities, grouped into homogeneous risk categories and, at minimum, by line of business (as defined in Delegated Regulation 2015/35).

Breakdown of gross and ceded technical provisions by Solvency 2 line of business (in €K)

Solvency 2 business lines	Nature of the guarantees	Gross technical provisions*		Technical provisions assigned	
		S2	S1	S2	S1
Life (excluding UL)	Death Savings excluding UL	7,538,093	7,626,658	-7,467,421	-7,405,341
UL Life	UL savings	7,168,380	7,113,102	-	-
Total		**14,706,474**	**14,739,761**	**-7,467,421**	**-7,405,341**

*S2 figures include the Risk Margin.

2.1 Principles, Methods and Key Assumptions Used for the Valuation of Technical Provisions

2.1.1 General Valuation Principles for Technical Liabilities under Solvency 2

To establish the economic balance sheet, technical provisions recorded in the statutory financial statements (mathematical reserves, accepted mathematical reserves, claims reserves, and surplus participation reserves) are replaced with economic provisions.

Economic provisions are calculated as the sum of the Best Estimate of future cash flows and a Risk Margin.

The Best Estimate represents the probability-weighted present value of future cash flows (inflows and outflows) related to existing contracts, discounted at the risk-free interest rate curve. For life insurance liabilities, a Volatility Adjustment (as provided by EIOPA) is added to mitigate the effects of artificial spread volatility.

The Risk Margin represents the cost of capital required by a potential acquirer to support the Solvency Capital Requirement (SCR) until the runoff of the insurance obligations.

Best Estimate

Cash flow projections used in the Best Estimate take into account all future inflows and outflows required to meet insurance and reinsurance obligations throughout their full duration.

This estimation includes the value of financial guarantees and any contractual options embedded in the policies, as well as management actions (*e.g.*, profit-sharing policies, use of financial reserves) and expected policyholder behaviours (*e.g.*, surrenders, fund switches).

Projected cash flows include, among others:

- Payments to policyholders and beneficiaries, including future discretionary profit-sharing amounts the company expects to allocate,
- Future fees and commissions.

Risk margin

The Risk Margin is calculated net of reinsurance and follows a cost-of-capital approach. It is based on projections of the Solvency Capital Requirements (SCR) associated with underwriting risk for the existing portfolio, operational risk, and counterparty default risk. Future SCRs are estimated using the most relevant risk drivers. Diversification effects between risks are taken into account in the Risk Margin calculation.

The cost of capital rate applied to future SCRs is set at 6%, in accordance with Delegated Regulation 2015/35.

MATERIAL VALUATION DIFFERENCES	S2	STATUTORY
	€14,706,474 K	€14,739,761 K

In the statutory balance sheet, technical provisions are calculated in accordance with the Luxembourg Accounting Law of 8 December 1994 issued by the Commissariat aux Assurances, based on principles of prudence and adequacy. In contrast, Solvency 2 provisioning is primarily based on the probability-weighted and discounted projection of future cash flows, *i.e.* Best Estimate and Risk Margin.

2.1.2 Calculation of the Best Estimate for Life Savings Insurance Business

This section concerns the following Lines of Business (LoBs): "Life insurance with profit participation" and "Unit-linked contracts"

Models Used

The asset-liability management (ALM) model used for calculations in the life savings business is implemented within a calculation engine developed by a leading software vendor.

The economic scenario generator (also developed by a leading provider) generates the economic scenario sets required for the stochastic valuation of Best Estimates in the life savings business.

These models are regularly used for internal studies and to support both statutory and IFRS financial reporting.

No future premiums are included in the ALM projections in accordance with the contract boundary rules.

Best Estimate Calculation

All liability-related cash flows of the company are projected over the full projection horizon and across all generated economic scenarios.

The Best Estimate is derived as the average of the scenario-specific Best Estimates.

Assumptions and Calculation Principles

- **The stochastic scenarios** used in the Best Estimate calculation are based on the following models:
  - Interest Rate Model: "Libor Market Model with Stochastic Volatility Shift";
  - Equity Model: "Stochastic Volatility Jump Diffusion".
- **The economic indicators** used to calibrate these models include:
  - Yield curves provided by EIOPA (as of January 2024);
  - Implied volatilities observed on equity markets for the CAC 40 and Eurostoxx indices;
  - Historical volatilities for other equity-like indices: real estate, private equity, and hedge fund indices;
  - Swaption-implied volatilities at valuation date from external sources (Moody's);
  - Historical average dividend yields for the equity indices;
  - Correlations between all these economic indices.

ALM Model – Life Savings Insurance

The Asset-Liability Management (ALM) model captures interactions between assets and liabilities. The table below summarises the key components of the ALM model for the life savings insurance business:

Insurer Behaviour	The credited rate policy is managed using an algorithm that defines a target credited rate based on competitor product yields and past credited rates.
Standard Policyholder Behaviour (surrender and death)	Surrender and mortality behaviour is modelled based on the characteristics of homogeneous risk groups.
Dynamic Policyholder Behaviour	In case of policyholder dissatisfaction, additional surrenders and fund switches may be triggered.
Use of Financial Reserves	Changes in the profit-sharing provision are incorporated based on projections generated by the ALM model.
Modelled Expenses	Company expenses are incorporated into the model using unit costs in two categories: • Claim-related administrative expenses ; • Other management expenses.
Commissions	Commission structures are applied in accordance with the agreements between **Sogelife** and its distributors, and are calculated on outstanding amounts.

2.1.3 Risk Margin Calculation (Life Savings Insurance)

The Risk Margin is calculated using the simplified method allowed by the Solvency 2 regulation.

2.1.4 Level of Uncertainty in the Valuation of Technical Provisions

The valuation of technical provisions is based on projections of future cash flows over a time horizon aligned with contract durations. These projections are built on models and assumptions using the most recent data and statistics available for the entire portfolio. While aiming to best reflect actual policyholder behaviour, the results inherently include a degree of uncertainty.

2.1.5 Description of Ceded Technical Provisions

Ceded technical provisions correspond to the reinsurer's Best Estimate. This is equal to the discounted value of cash flows paid by Sogécap to Sogelife, net of reinsurance costs charged by Sogécap, and reflects the credit risk of Sogécap based on its credit rating.

2.1.6 Impact of Long-Term Guarantee (LTG) Transitional Measures Applied by Sogelife

Volatility Adjustment

Among the transitional measures permitted under the Solvency 2 Directive, Sogelife applies the Volatility Adjustment (VA).
The purpose of this measure is to mitigate the artificial volatility of interest rate spreads when calculating the Best Estimate of liabilities.

The VA is based on the observed spread (by currency) between the yield of a reference portfolio of assets and the risk-free rate.

A table follows presenting the impacts of applying the volatility adjustment on technical provisions, own funds and capital requirements.

(In thousands of euros)	December 31, 2024	
	With VA	Without VA
Technical provisions Solvency 2	14,706,474	14,730,186
Equity eligible to cover the SCR	684,507	665,027
Equity eligible to cover the MCR	468,601	448,598
SCR	479,789	480,954
MCR	119,947	120,239

3 – Other liabilities

(In thousands of euros)	December 31, 2024			
	Economic value	Book value	Difference	Notes
Contingent liabilities	-	-	-	D.3.1.1
Provisions other than technical provisions	-	-	-	D.3.1.2
Pension Fund Obligations	1,942	1,147	795	D.3.1.3
Deferred Taxes-Liabilities	15,399	-	15,399	D.3.1.4
Derivative Liabilities	-	-	-	D.3.1.5
Debts with credit institutions	-	-	-	D.3.1.6
Financial liabilities other than with credit institutions	-	-	-	D.3.1.7
Debts with insurers and brokers	26,342	26,342	-	D.3.1.8
Debt with reinsurers	1	1	-	D.3.1.8
Accounts payable (non-insurers)	3,334	3,334	-	D.3.1.9
Subordinated debt	383,023	377,357	5,666	D.3.1.10
Other liabilities	5,040	5,040	-	D.3.1.11
Total Other Liabilities	**435,082**	**413,222**	**21,860**	

3.1 Principles, Methods and Key Assumptions Used for the Valuation of Other Liabilities

3.1.1 Contingent Liabilities

Contingent liabilities (as defined by IAS 37 and adopted under Solvency 2) must be recognised in the Solvency 2 balance sheet if they are significant, and are valued based on the probability-weighted future cash flows, discounted at the risk-free rate, necessary to extinguish the obligation.

Sogelife has no significant contingent liabilities, and therefore no adjustments are recorded in the Solvency 2 balance sheet.

3.1.2 Provisions for Risks and Charges

These provisions relate to liabilities for which either the timing or the amount is uncertain, and where the probability of an outflow of resources is greater than 50%.

They are valued at economic value, based on the probable future cash flows discounted at the risk-free rate, adjusted for the specific risk related to the provision.

Given the valuation methods used in the statutory balance sheet, no adjustment is required for the Solvency 2 balance sheet.

3.1.3 Employee Benefits

Sogelife funds a defined benefit supplementary pension plan for its employees (liabilities recorded in the balance sheet).

In the statutory financial statements, the provision covers retirement obligations as defined by Article 19 of the Law of 8 June 1999 on supplementary pension schemes.

An adjustment is required for the Solvency 2 balance sheet, where the liability is valued at the present value of future benefit obligations (including projected salary growth and social contributions).

MATERIAL VALUATION DIFFERENCES	S2	STATUTORY
	€1,942 K	€1,147 K

In the financial statements, the provision covers pension obligations as defined under Article 19 of the Law of 8 June 1999 on supplementary pension schemes. The economic valuation of employee benefit obligations results in a total impact of €795 K.

3.1.4 Deferred Tax Liabilities

Deferred taxes are recognised in the Solvency 2 balance sheet in accordance with IAS 12.

They are calculated using the liability method and based on the latest known tax rates, reflecting temporary differences between the prudential and fiscal values of assets and liabilities.

The rate used as of year-end 2023 is 24.94%, in accordance with the tax reform approved by Parliament in December 2016. This rate remains applicable from 1 January 2024.

The valuation of deferred tax assets and liabilities reflects the tax consequences that would arise from how Sogelife expects, at the reporting date, to recover or settle the value of its assets and liabilities.

MATERIAL VALUATION DIFFERENCES	S2	STATUTORY
	€15,399 K	-

All valuation adjustments arising from the conversion to economic value generate a total impact of €15,399 K in deferred tax liabilities.

3.1.5 Derivative Liabilities

Sogelife does not use derivatives for managing investments where it bears the investment risk.

3.1.6 Liabilities to Credit Institutions

These liabilities include overdrafts on current accounts with credit institutions.

3.1.7 Financial Liabilities Other than to Credit Institutions

Sogelife has no financial liabilities other than those due to credit institutions.

3.1.8 Liabilities to Insurers, Intermediaries, and Reinsurers

Depending on maturity, liabilities to insurers, intermediaries, and reinsurers are valued at amortised cost in the statutory balance sheet. In the Solvency 2 balance sheet, they are valued either at amortised cost (for liabilities under one year) or by discounting future cash flows (for liabilities over one year). Since amounts over one year are immaterial, they remain valued at amortised cost under Solvency 2.

3.1.9 Trade Payables (Non-Insurers)

Trade payables are treated similarly: amortised cost for maturities under one year, or discounted cash flows for longer durations. As amounts over one year are not material, they are valued at amortised cost under Solvency 2.

3.1.10 Subordinated Liabilities

Subordinated debt is measured at fair value in the Solvency 2 balance sheet, using the current risk-free rate at the closing date and the spread at issuance.
They are all included in basic own funds. Their valuation includes accrued interest liabilities.

(In thousands of euros)	Lender	Term	Amount on issue	Valuation S2
19/05/2004	Société Générale Luxembourg	Undeterminate	6,750	6,934
31/07/2006	Société Générale Luxembourg	Undeterminate	2,250	2,289
29/05/2008	Société Générale Luxembourg	Undeterminate	6,000	6,287
10/08/2009	Société Générale Luxembourg	Undeterminate	11,250	11,962
30/12/2009	Société Générale Luxembourg	Undeterminate	3,750	3,750
30/03/2010	Société Générale	Undeterminate	11,850	12,098
30/03/2010	Société Générale	15 years	3,950	3,964
30/09/2010	Société Générale	Undeterminate	11,250	11,459
30/09/2010	Société Générale	15 years	3,750	3,831
26/06/2013	Sogécap	Undeterminate	5,250	5,647
26/06/2013	Sogécap	15 years	1,750	1,948
23/12/2013	Sogécap	Undeterminate	5,250	5,655
23/12/2013	Sogécap	15 years	1,750	1,863
27/06/2014	Sogécap	Undeterminate	17,250	18,384
27/06/2014	Sogécap	15 years	5,750	6,049
23/12/2014	Sogécap	Undeterminate	13,500	13,753
23/12/2014	Sogécap	11 years	4,500	4,539
20/04/2020	Sogécap	10 years	42,000	40,599
29/02/2024	Sogécap	10 years	58,000	62,911
27/03/2024	Sogécap	10 years	120,000	127,484
29/05/2024	Sogécap	10 years	30,000	31,617
Total			**365,800**	**383,023**

3.1.11 Other Liabilities

Other liabilities in the Solvency 2 balance sheet correspond to non-financial accruals. No adjustments are needed since the valuation methods used in the statutory accounts are consistent with those required under Solvency 2.

4 – Other information

All material information regarding the valuation of the economic balance sheet has been presented in the preceding sections.

E – CAPITAL MANAGEMENT

1 – Own funds

Under Solvency 2, own funds are defined as the excess of assets over liabilities in the balance sheet, measured in accordance with Solvency 2 valuation principles, adjusted by adding subordinated liabilities and subtracting foreseeable dividends.

Own funds are classified into four categories (Tiers), based on their quality, *i.e.*, their ability to absorb losses, their degree of subordination, and their permanence. Tier 1 represents the highest quality.

Note: "Restricted Tier 1" (Tier 1 R) refers to certain perpetual subordinated loans eligible under the "grandfathering clause".

In addition, quantitative limits are imposed on the eligibility of own funds to cover the capital requirements (i.e., the Solvency Capital Requirement - SCR and the Minimum Capital Requirement - MCR).

1.1 Own Funds Management Policy

All processes and policies described in Part B of this report contribute to managing the risks that could significantly impact the solvency of Sogelife, considering its risk profile. In particular, the ORSA (Own Risk and Solvency Assessment) implemented by Sogelife enables a long-term view of how strategic decisions affect solvency, including developments in the financial markets.

Sogelife plans its activities over a three-year horizon as part of its budgeting process, which allows the company to anticipate its own funds needs in line with its growth ambitions. Forecasts are updated annually.

1.2 Structure and Amount of Available Own Funds

Available Solvency 2 own funds amounted to €738,713 K at the end of 2024, an increase of €347,357 K (+89%) compared to year-end 2023.

The following tables detail the structure of own funds by nature and Tier:

(In thousands of euros)	2024				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Ordinary share capital	178,223	178,223	-	-	-
Issue premium account linked to ordinary share capital	24,495	24,495	-	-	-
Reconciliation reserve	152,972	152,972	-	-	-
Subordinated liabilities	383,023	-	98,217	284,806	-
S2 available own funds	**738,713**	**355,690**	**98,217**	**284,806**	**-**

(In thousands of euros)	2023				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Ordinary share capital	48,223	48,223	-	-	-
Issue premium account linked to ordinary share capital	24,495	24,495	-	-	-
Reconciliation reserve	155,172	155,172	-	-	-
Subordinated liabilities	163,466	-	97,717	65,749	-
S2 available own funds	**391,356**	**227,890**	**97,717**	**65,749**	**-**

Sogelife's available Solvency 2 own funds qualify under Tier 1 and Tier 2 only.

In 2024, Sogelife recorded exceptional premium inflows, both in volume and amount, particularly in guaranteed-rate products. This significant inflow increased capital requirements and led to temporary capital strengthening measures, including: a €130 million capital increase, and the issuance of €208 million in subordinated loans.

As of year-end 2024, the **fully paid-up share capital** amounted to €178,223 K, an increase of €130,000 K compared to 2023. Given its characteristics, the share capital is classified as Tier 1.

The reconciliation reserve amounted to €152,971 K at the end of 2024, down by €2,201 K compared to 2023.

Its components are classified as unrestricted Tier 1 and include:
- Statutory reserves, net of dividends payable to the shareholder, totaling €106,628 K as of year-end 2024 (stable compared to 2023). These include retained earnings and tax reserves.
- Future margins revealed through the economic valuation of assets and liabilities, net of deferred taxes, totaling €46,343 K at 31 December 2024, compared to €48,538 K at year-end 2023.

Subordinated loans, detailed in section D.3.1.10, totaled €383,023 K and are classified as follows:
- €98,217 K qualify as Tier 1: these are perpetual subordinated loans issued before 19 January 2015, initially amounting to €94,350 K. They benefit from the Solvency 2 transitional measure ("grandfathering clause"), allowing classification as Restricted Tier 1 for a period of 10 years.
- €284,806 K qualify as Tier 2: these consist of fixed-term subordinated loans, also eligible under the transitional measures.

1.3 Reconciliation of Financial Statement Equity with Solvency 2 Excess of Assets Over Liabilities

In the economic balance sheet, the excess of assets over liabilities (see section D) amounted to b as of 31 December 2024.

A reconciliation table follows, comparing: Sogelife's statutory equity, Solvency 2 excess of assets over liabilities, and available Solvency 2 own funds :

(In thousands of euros)	2024	2023
Share capital and issue premiums	202,718	72,718
Other reserves, carry-forward and profit and loss for the year	127,828	106,634
Statutory own funds	**330,546**	**179,352**
Fair value adjustment of financial assets and liabilities	-29,676	-24,714
Economic valuation of technical liabilities	95,367	92,909
Annulment of intangibles	-3,949	-3,529
Net impact of deferred taxes	-15,399	-16,128
Excess of assets over liabilities	**376,890**	**227,890**
Subordinated loans	383,023	163,466
Dividends to be paid	21,200	-
S2 available own funds	**738,713**	**391,356**

1.4 Elements Deducted from Own Funds

Article 70 of Delegated Regulation 2015/35 requires the reconciliation reserve to be reduced by various elements that affect the availability and transferability of own funds within the company.

In the case of Sogelife, only dividend distributions are deducted from own funds.

It should be noted that, as of 31 December 2024, a dividend distribution is planned for 2025, relating to the 2024 financial year.

1.5 Eligible Own Funds to Cover Capital Requirements

1.5.1 Thresholds Applicable to Available Own Funds by Tier

The amount of eligible own funds is determined by applying tier-based limits to the available own funds.

The table below summarises the thresholds applicable by Tier for covering the Minimum Capital Requirement (MCR) and the Solvency Capital Requirement (SCR):

	OWN FUNDS ELEMENTS	MCR COVERAGE	SCR COVERAGE	
Tier 1	• Share capital • Share capital issue premiums • Reconciliation reserve	> 80%	> 50%	
Restricted Tier 1	• Perpetual subordinated loans (grandfathered under transitional rules)	Max 20% of total Tier 1	Max 20% of total Tier 1	
Tier 2	• Perpetual subordinated loans (issued after 19/01/2015 and meeting specific conditions) • Fixed-term subordinated loans (issued after 19/01/2015 and meeting specific conditions) • Fixed-term subordinated loans (grandfathered under transitional provisions)	< 20%	< 50%	T2 + T3 < 50%
Tier 3	• Net deferred tax-assets (N/A)	Not eligible	Not eligible	

1.5.2 Eligible Own Funds to Cover the SCR

The eligible own funds to cover the Solvency Capital Requirement (SCR), determined after applying the tier-based limitations, amount to €684,507 K as of end-2024, for an SCR of €479,793 K, resulting in a SCR coverage ratio of 143%.

The tables below show the impact of applying the Tier limits on the available own funds as of year-end 2024.

(In thousands of euros)	2024				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Ordinary share capital	178,223	178,223	-	-	-
Issue premium account linked to ordinary share capital	24,495	24,495	-	-	-
Reconciliation reserve	152,972	152,972	-	-	-
Subordinated liabilities	328,817	-	88,922	239,895	-
Eligible S2 own funds/SCR	**684,507**	**355,690**	**88,922**	**239,895**	**-**

(In thousands of euros)	2023				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Ordinary share capital	48,223	48,223	-	-	-
Issue premium account linked to ordinary share capital	24,495	24,495	-	-	-
Reconciliation reserve	155,172	155,172	-	-	-
Subordinated liabilities	163,466	-	56,973	106,494	-
Eligible S2 own funds/SCR	**391,356**	**227,890**	**56,972**	**106,494**	**-**

Application of the limits results in the reclassification of restricted Tier 1 funds exceeding the 20% threshold into Tier 2 :

- In 2024, the excess restricted Tier 1 own funds (€9,295 K) are reclassified into Tier 2, bringing Tier 2 own funds to €294,101 K, which represents 61% of the SCR. However, as Tier 2 funds are only eligible up to 50% of the SCR, a haircut of €54,206 K is applied. The final amount of eligible own funds covering the SCR is €684,507 K.

1.5.3 Eligible Own Funds to Cover the MCR

The eligible own funds to cover the Minimum Capital Requirement (MCR), after applying the Tier-based eligibility limits, amount to €302,138 K as of end-2024, resulting in a MCR coverage ratio of 391%.

The following tables show the impact of the tier-based limitations on the available own funds as of year-end 2024.

(In thousands of euros)	2024				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Capital in ordinary shares	178,223	178,223	-	-	-
Share premium account linked to capital in ordinary shares	24,495	24,495	-	-	-
Reconciliation reserve	152,972	152,972	-	-	-
Subordinated liabilities	112,912	-	88,922	23,989	-
S2 eligible capital/MCR	**468,601**	**355,690**	**88,922**	**23,989**	**-**

(In thousands of euros)	2023				
	Total	Tier 1	Tier 1 R.	Tier 2	Tier 3
Capital in ordinary shares	48,223	48,223	-	-	-
Share premium account linked to capital in ordinary shares	24,495	24,495		-	- -
Reconciliation reserve	155,172	155,172	-	-	-
Subordinated liabilities	74,248	-	56,973	17,275	-
S2 eligible capital/MCR	**302,138**	**227,890**	**56,973**	**17,275**	**-**

The application of tier-based eligibility limits results in the reclassification of the portion of restricted Tier 1 own funds exceeding the 20% threshold of eligible Tier 1 own funds into Tier 2:

- In 2024, the excess restricted Tier 1 own funds (€9,295 K) is reclassified as Tier 2. Since only 20% of the MCR may be covered by Tier 2 own funds, €270,111 K of Tier 2 own funds become ineligible for MCR coverage. The final eligible amount of Tier 2 own funds therefore stands at €23,989 K.

2 – Solvency capital requirement and minimum capital requirement

2.1 Capital Requirements and Coverage Ratio

The following tables present, for 2024, the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR), along with their respective coverage ratios based on eligible Solvency 2 own funds:

Solvency Capital Requirement Coverage Ratio

(In thousands of euros)	2024	2023
S2 eligible own funds for SCR coverage	684,507	391,356
Solvency Capital Requirement	479,789	345,508
Solvency Capital Requirement Coverage Ratio	**143%**	**113%**

(In thousands of euros)	2024	2023
S2 eligible own funds for MCR coverage	468,601	302,138
Minimum Capital Requirement	119,947	86,377
Minimum Capital Requirement Coverage Ratio	**391%**	**350%**

As determined from the Solvency 2 balance sheet as at 31 December 2024, the SCR for Sogelife is €479,789k. **The coverage ratio of the SCR by eligible Solvency 2 own funds is 143%.**

The MCR stands at €119,947 K as of 31 December 2024.

After applying the tier-based limitations for own funds eligibility, eligible own funds covering the MCR **amount to €468,601 K, resulting in a MCR coverage ratio of 391%.**

2.2 Description of the Capital Requirement Calculation Principles

2.2.1 General Framework

Under Solvency 2, the SCR represents the required capital amount, which corresponds to the level of own funds needed to limit the probability of default over one year to 0.5%.
The SCR is based on the insurer's risk profile and is calculated using the Standard Formula, which is uniformly calibrated across the European market. It follows a modular approach and estimates the potential loss from adverse events associated with approximately thirty risk factors.

To reflect the low likelihood of all adverse events occurring simultaneously, the Standard Formula introduces correlations between risk factors and thus allows for diversification benefits.

The Standard Formula breaks down risks into the following main modules:

- Market risk: risks affecting the market value of financial instruments (equities, interest rates, credit spread, real estate, foreign exchange, etc.).
- Underwriting risk: arising from the uncertainty in valuing insurance liabilities in life, health, and non-life business.
- Counterparty default risk: related to potential defaults from counterparties (primarily reinsurance counterparties).

The associated capital charges are then aggregated using correlation matrices provided by the regulation to obtain the Basic SCR (BSCR).

Two components are added to the BSCR to obtain the final SCR: On the one hand, the recognition of the company's capacity to grant a lower level of profit-sharing than initially estimated before shocks (loss-absorbing capacity of future discretionary benefits); and on the other hand, the allocation of the loss to the tax result, which will result in lower future tax payments than those recognised in the Solvency 2 balance sheet (loss-absorbing capacity of notional deferred taxes).

The MCR (Minimum Capital Requirement) represents the absolute minimum capital threshold. It is calculated using factor-based formulas and distinguishes between life and non-life business. By regulation, it must not be less than 25% or more than 45% of the SCR.

2.2.2 Methods and Options Selected for the Calculation of the SCR

Sogelife uses the Standard Formula to calculate its Solvency Capital Requirement (SCR), and considers it appropriate for its risk profile.

Sogelife specifically applies the following methods and options permitted by the regulation:

VOLATILITY ADJUSTMENT	The volatility adjustment is applied to the risk-free interest rate curve. As of 31/12/2024, as provided by EIOPA, it stands at +0.23% (difference between the curve without volatility adjustment and the curve with the adjustment), compared to +0.20% at the end of 2023.
CREDIT RISK ADJUSTMENT	The credit risk adjustment is applied to the interest rate curve. As of 31/12/2024, as set by EIOPA, it remains unchanged at +0.10% compared to 2023.
EQUITY RISK TRANSITIONAL MEASURE	In accordance with EIOPA's schedule, the equity transitional measure, previously applied in the calculation of the equity risk sub-module of the SCR, is no longer applicable as of 1 January 2023.
NOTIONAL DEFERRED TAXES	Notional deferred tax is determined using the simplified approach. In the absence of significant discrepancies in the economic balance sheet, a 24.94% tax rate is applied. This rate is used to adjust the instantaneous loss (SCR net of loss-absorbing capacity).

2.2.3 General Principles for MCR Calculation

The Minimum Capital Requirement (MCR) is calculated using the standard formula as defined in the Delegated Regulation. For the company, the higher of the combined MCR and the absolute floor of €4 million is used. Given Sogelife's risk profile, the combined MCR is retained.

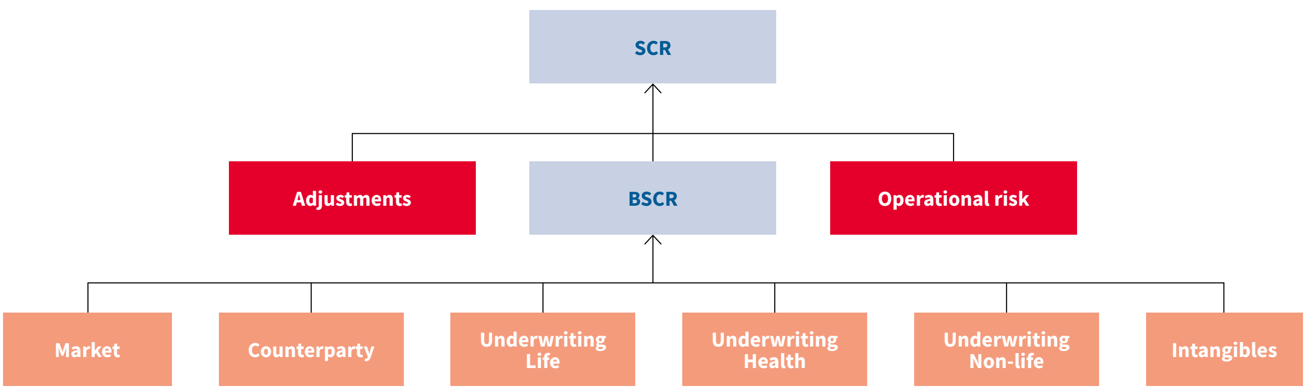
The MCR is calculated by applying factors (as calibrated by EIOPA) to the best estimates net of reinsurance by line of business, as well as to the capital at risk across all lines of business. The resulting MCR amount must not be less than 25% or exceed 45% of the SCR.

2.3 Solvency Capital Requirement by Risk Modules

This section presents the breakdown of Sogelife's SCR by risk modules, based on the Standard Formula, and includes the contributions from technical provisions and deferred taxes to loss-absorbing capacity.

This breakdown highlights the main risks to which Sogelife is exposed in the course of its business activities, namely market risk, and to a lesser extent, life underwriting risk. These risks are described in greater detail in the Risk Profile section of this report.

The diagram below outlines the SCR calculation structure and the main risk modules used in the Standard Formula. For Sogelife, non-life, health, and intangible underwriting risk modules are not applicable.



The table below presents the breakdown of Sogelife's SCR by risk module as of 31 December 2024.

(In thousands of euros)	2024	2023
Net Solvency Capital Requirements		
Market risk	308,187	238,133
Counterparty risk	8,431	13,042
Life underwriting risk	79,797	85,494
Health underwriting risk	-	-
Non-life underwriting risk	-	-
Intangible assets risk	-	-
Diversification	-56,783	-60,125
Basic Solvency Capital Requirements	**339,632**	**276,544**
Adjustment linked to ring-fenced funds		
Operational risk	155,556	85,092
Loss-absorbing capacity of deferred taxes	-15,399	-16,128
Solvency Capital Requirements	**479,789**	**345,508**

Given Sogelife's risk profile, market risk represents the main source of capital requirement, amounting to €308,187 K at year-end 2024.

The life underwriting risk amounts to €79,797 K, primarily related to surrender risk.

A diversification benefit of €–56,783 K reduces the Basic SCR (BSCR) to €339,632k.

The operational risk capital charge is €155,556 K, showing a significant increase versus 2023 due to strong commercial growth observed in 2024 on the general fund, in line with the regulatory calculation formula.

The overall increase in the SCR in 2024 is mainly due to increases in market and operational risk modules.

2.4 Minimum Capital Requirement (MCR)

The tables below detail Sogelife's MCR as at year-end 2024, calculated using the Combined MCR formula:

(In thousands of euros)	2024	2023
Minimum Linear Capital Requirement	50,197	45,737
Linear MCR Life	50,197	45,737
Linear MCR Non-Life	-	-
25% floor of the SCR	**119,947**	**86,377**
45% ceiling of the SCR	**215,905**	**155,479**
Minimum Capital Requirement	**119,947**	**86,377**

3 – Use of Equity Risk Sub-Module Based on Duration

The equity duration-based sub-module is not used by Sogelife.

4 – Differences Between the Standard Formula and Any Internal Model Used

Not applicable, as Sogelife uses the Standard Formula.

5 – Non-Compliance with the Minimum Capital Requirement or Solvency Capital Requirement

Not applicable, as Sogelife complies with both the MCR and SCR.

6 – Any other information

All important information relating to capital management has been presented in the previous paragraphs.

APPENDIX

1 – Mapping Table Between Products Marketed by Sogelife and the Lines of Business Defined in the Solvency 2 Directive

		N1	L17	L18	L19	L22	L23	L24
		Medical costs	**Insurance with PB**	**Unit-linked contracts**	**Other life insurance contracts**	**Life reinsurance**	**Health insurance**	**Health reinsurance**
Retirement savings	Individual life insurance and capitalisation policies (*multi-support*)		x	x				
	Individual pension contracts (PERP and Madelin)							
	Group pension contracts							
	Reinsurance acceptances of US$ Komercni Pojistovna commitments					x		
Personal Protection	Term life insurance							
	Individual Health Insurance							
	Funeral insurance							
	Long-term care insurance							
	Borrowers’ insurance							
	Occupational Insurance Schemes							
	Collective Health Insurance							

ANNUAL QUANTITATIVE STATEMENTS

1. STATEMENT S.02.01.02 - BALANCE SHEET SOLVENCY 2

Assets		Solvency II value
		C0010
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred taxes – assets	R0040	-
Pension plan surplus	R0050	-
Property, plant and equipment held for own use	R0060	146,976
Investments (other than assets held for unit-linked and index-linked contracts)	R0070	817,330,005
Real estate (other than held for own use)	R0080	-
Holdings in affiliated undertakings, including participating interests	R0090	-
Equities	R0100	9,165
Equities – listed	R0110	9,165
Equities – unlisted	R0120	-
Bonds	R0130	654,309,213
Government bonds	R0140	347,615,586
Corporate bonds	R0150	305,639,259
Structured securities	R0160	1,054,367
Collateralised securities	R0170	-
Collective investment undertakings	R0180	101,416,363
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	61,595,264
Other investments	R0210	-
Assets held for unit-linked and index-linked contracts	R0220	7,114,138,941
Loans and mortgages	R0230	3,125,014
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	3,125,014
Other loans and mortgages	R0260	-
Amounts recoverable under reinsurance contracts	R0270	7,467,421,213
Non-life and health similar to non-life	R0280	-
Non-life excluding health	R0290	-
Health similar to non-life	R0300	-
Life and health similar to life, excluding health and unit-linked and index-linked	R0310	7,467,421,213
Health similar to Life	R0320	-
Life excluding health and unit-linked and index-linked	R0330	7,467,421,213
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Receivables from insurance transactions and amounts receivable from intermediaries	R0360	-
Receivables from reinsurance transactions	R0370	16,997,114
Other receivables (excluding insurance)	R0380	2,471,379
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	96,784,185
Any other assets not mentioned in the items above	R0420	29,976
Total assets	**R0500**	**15,518,444,804**

Liabilities		**Solvency II value**
		C0010
Technical provisions – non-life	**R0510**	-
Technical provisions - non-life (excluding health)	**R0520**	-
Technical provisions calculated as a whole	**R0530**	-
Best estimate	**R0540**	-
Risk margin	**R0550**	-
Technical provisions – health (similar to non-life)	**R0560**	-
Technical provisions calculated as a whole	**R0570**	-
Best estimate	**R0580**	-
Risk margin	**R0590**	-
Technical provisions – life (excluding unit-linked and index-linked)	**R0600**	7,538,093,211
Technical provisions – health (similar to life)	**R0610**	-
Technical provisions calculated as a whole	**R0620**	-
Best estimate	**R0630**	-
Risk margin	**R0640**	-
Technical provisions – life (excluding health, unit-linked and index-linked)	**R0650**	7,538,093,211
Technical provisions calculated as a whole	**R0660**	-
Best estimate	**R0670**	7,466,700,127
Risk margin	**R0680**	71,393,085
Technical provisions – unit-linked and index-linked	**R0690**	7,168,380,450
Technical provisions calculated as a whole	**R0700**	-
Best estimate	**R0710**	7,152,942,671
Risk margin	**R0720**	15,437,779
Other technical provisions	**R0730**	
Contingent liabilities	**R0740**	-
Provisions other than technical provisions	**R0750**	-
Provision benefit obligations	**R0760**	1,942,000
Reinsurers' deposits	**R0770**	-
Deferred tax liabilities	**R0780**	15,398,575
Derivatives	**R0790**	-
Debts owed to credit institutions	**R0800**	-
Financial liabilities other than debts owed to credit institutions	**R0810**	-
Payables arising from insurance transactions and amounts due to intermediaries	**R0820**	26,342,306
Payables arising from reinsurance transactions	**R0830**	1,297
Other liabilities (excluding insurance)	**R0840**	3,333,964
Subordinated liabilities	**R0850**	383,023,049
Subordinated liabilities not included in Basic Own Funds	**R0860**	-
Subordinated liabilities included in Basic Own Funds	**R0870**	383,023,049
Any other liabilities not mentioned in the items	**R0880**	5,040,397
Total liabilities	**R0900**	**15,141,555,250**
Excess of assets over liabilities	**R1000**	**376,889,555**

2. STATEMENT S.04.05.21 - PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

		Country of Origin	Total for top 5 countries: non-life
		C0010	C0020
Issued Premiums			
Gross – direct insurance	**R0020**	-	-
Gross – accepted proportional reinsurance	**R0021**	-	-
Gross – accepted non-proportional reinsurance	**R0022**	-	-
Earned Premiums			
Gross – direct insurance	**R0030**	-	-
Gross – accepted proportional reinsurance	**R0031**	-	-
Gross – accepted non-proportional reinsurance	**R0032**	-	-
Claims Incurred			
Gross – direct insurance	**R0040**	-	-
Gross – accepted proportional reinsurance	**R0041**	-	-
Gross – accepted non-proportional reinsurance	**R0042**	-	-
Expenses Incurred			
Gross – direct insurance	**R0050**	-	-
Gross – accepted proportional reinsurance	**R0051**	-	-
Gross – accepted non-proportional reinsurance	**R0052**	-	-

		Country of origin	Total for top 5 countries: life
		C0030	C0040
Gross Issued Premium	R1020	71,194,489	3,531,981,467
Gross Earned Premium	R1030	71,194,489	3,603,175,956
Occurring Claims	R1040	86,919,748	1,549,793,131
Gross Incurred Expenses	R1050	1,625,708	81,468,402

3. STATEMENT S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

		Line of Business for: life insurance obligations			
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance
		C0210	**C0220**	**C0230**	**C0240**
Premiums written					
Gross	**R1410**	-	2,677,695,189	1,066,479,766	-
Reinsurers' share	**R1420**	-	2,717,810,758	-	7,460
Net	**R1500**	-	-40,115,569	1,066,479,766	-7,460
Premiums earned					
Gross	**R1510**	-	2,677,695,189	1,066,479,766	-
Reinsurers' share	**R1520**	-	2,717,810,758	-	7,460
Net	**R1600**	-	-40,115,569	1,066,479,766	-7,460
Claims incurred					
Gross	**R1610**	-	964,255,109	915,142,962	-
Reinsurers' share	**R1620**	-	1,297,785,091	-	-
Net	**R1700**	-	-333,529,982	915,142,962	-
Expenses incurred	**R1900**	**-**	**41,924,714**	**59,451,825**	**-**
Balance - Other technical charges/income	**R2510**				
Total expenses	**R2600**				
Total redemptions	**R2700**	-	964,255,109	915,142,962	-

	Line of Business for: life insurance obligations		Life reinsurance obligations		
	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	**Total**
	C0250	**C0260**	**C0270**	**C0280**	**C0300**
	-	-	-	164,332	3,744,339,288
	-	-		-	-2,717,818,219
	-	-	-	164,332	1,026,521,069
	-	-	-	164,332	3,744,339,288
	-	-	-	-	2,717,818,219
	-	-	-	164,332	1,026,521,069
	-	-	-	2,792,213	1,882,190,284
	-	-	-	-	1,297,785,091
	-	-	-	2,792,213	584,405,193
	-	**-**	**-**	**270,945**	**101,647,484**
					234,598
					101,882,081
	-	-	-	2,792,213	**1,882,190,284**

4. STATEMENT S.12.01.02 - TECHNICAL PROVISIONS - LIFE AND HEALTH SLT

		Insurance with profit sharing	Index-linked and unit-linked insurance			Other life insurance		
				Contracts without options or guarantees	Contracts with options or guarantees		Contracts without options or guarantees	Contracts with options or guarantees
		C0020	C0030	C0040	C0050	C0060	C0070	C0080
Technical provisions calculated as a whole	**R0010**	-	-			-		
Total Recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0020**	-	-			-		
Technical provisions calculated as the sum of BE and RM								
Best Estimate								
Gross Best Estimate	**R0030**	**7,457,409,345**		**-**	**7,152,942,671**		**2,056,670**	**-**
Total Recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**	7,467,413,402		-	-		7,812	-
Best Estimate minus recoverables from reinsurance/SPV and Finite Re – total	**R0090**	-10,004,057		-	7,152,942,671		2,048,858	-
Risk Margin	**R0100**	**71,393,085**	**15,437,779**			**-**		
Technical provisions – Total	**R0200**	**7,528,802,430**	**7,168,380,450**			**2,056,670**		

	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Accepted reinsurance	Total (life other than health insurance, incl. Unit-Linked)	Health insurance (direct insurance)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (accepted reinsurance)	**Total (health similar to life insurance)**
					Contracts without options or guarantees	Contracts with options or guarantees			
	C0090	**C0100**	**C0150**	**C0160**	**C0170**	**C0180**	**C0190**	**C0200**	**C0210**
	-	-	-	-			-	-	-
	-	-	-	-			-	-	-
	-	**7,234,112**	**14,619,642,797**		**-**	**-**	**-**	**-**	**-**
	-	-	7,467,421,213		-	-	-	-	-
	-	7,234,112	7,152,221,584		-	-	-	-	-
	-	**-**	**86,830,864**	**-**			**-**	**-**	**-**
	-	**7,234,112**	**14,706,473,661**	**-**			**-**	**-**	**-**

5. STATEMENT S.22.01.01 - IMPACT OF LONG-TERM GUARANTEE MEASURES AND TRANSITIONAL MEASURES

		Amount with measures relating to long-term guarantees and transitional measures	Impact of transitional measures on technical provisions	Impact of transitional measures on interest rates	Impact of a correction for volatility set at zero	Impact of an equalising adjustment set at zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	**R0010**	14,706,473,661	-	-	23,712,782	-
Tier 1 capital	**R0020**	738,712,604	-	-	-16,049,472	-
Eligible own funds to cover the SCR	**R0050**	684,506,641	-	-	-19,479,389	-
Solvency Capital Requirement	**R0090**	479,789,396	-	-	1,164,903	-
Eligible own funds to cover the Minimum Capital Required	**R0100**	468,601,413	-	-	-20,003,595	-
Minimum Capital Requirement	**R0110**	119,947,349	-	-	291,226	-

6. STATEMENT S.23.01.01 - OWN FUNDS

		Total	Level 1 not restricted	Level 1 Restricted	Level 2	Level 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in Article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	**R0010**	178,222,846	178,222,846		-	
Share premium account related to ordinary share capital	**R0030**	24,494,913	24,494,913		-	
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	**R0040**	-	-		-	
Subordinated mutual member accounts	**R0050**	-		-	-	-
Surplus funds	**R0070**	-	-			
Preference shares	**R0090**	-		-	-	-
Share premium account related to preference shares	**R0110**	-		-	-	-
Reconciliation reserve	**R0130**	152,971,796	152,971,796			
Subordinated liabilities	**R0140**	383,023,049		98,217,279	284,805,770	-
Amount equal to the value of net deferred tax assets	**R0160**	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	**R0180**	-	-	-	-	-
Own funds from the financial statements that should not be included in the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be included in the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	**R0220**	-				
Deductions						
Deductions for participations in financial and credit institutions	**R0230**	-	-	-	-	-
Total basic own funds after deduction	**R0290**	738,712,604	355,689,555	98,217,279	284,805,770	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	**R0300**	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	**R0310**	-			-	
Unpaid and uncalled preference shares callable on demand	**R0320**	-			-	-
A legally binding commitment to subscribe to and pay for subordinated liabilities on demand	**R0330**	-			-	-
Letters of credit and guarantees under Article 96 paragraph 2 of the Directive 2009/138/EC	**R0340**	-			-	
Letters of credit and guarantees other than under Article 96 paragraph 2 of the Directive 2009/138/EC2) of the Directive 2009/138/EC	**R0350**	-			-	-
Supplementary members calls under Article 96 paragraph 3 of the Directive 2009/138/EC	**R0360**	-			-	
Supplementary members – other than under Article 96 paragraph 3 of the Directive 2009/138/EC	**R0370**	-			-	-

6. STATEMENT S.23.01.01 - OWN FUNDS (CONTINUED)

		Total	Level 1 not restricted	Level 1 Restricted	Level 2	Level 3
		C0010	C0020	C0030	C0040	C0050
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	**R0400**	-			-	-
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	738,712,604	355,689,555	98,217,279	284,805,770	-
Total available own funds to meet the MCR	R0510	738,712,604	355,689,555	98,217,279	284,805,770	
Total eligible own funds to meet the SCR	R0540	684,506,641	355,689,555	88,922,389	239,894,698	-
Total eligible own funds to meet the MCR	R0550	468,601,413	355,689,555	88,922,389	23,989,470	
SCR	**R0580**	**479,789,396**				
MCR	**R0600**	**119,947,349**				
Ratio of eligible own funds to SCR	**R0620**	**142.7%**				
Ratio of eligible own funds to MCR	**R0640**	**390.7%**				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	376,889,555
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	21,200,000
Other basic own funds	R0730	202,717,759
Adjustment for restricted own funds items in respect of matching adjustment portfolios and ring-fenced funds	R0740	-
Reconciliation reserve	**R0760**	**152,971,796**
Expected profits		
Expected profits included in future premiums (EP-IFP) – Life business	R0770	-
Expected profits included in future premiums (EPIFP) – Non-life business	R0780	-
Total expected profits included in future premi-ums (EPIFP)	**R0790**	**-**

7. STATEMENT S.25.01.01 - SOLVENCY CAPITAL REQUIREMENT FOR UNDERTAKINGS USING THE STANDARD FORMULA

		Gross Solvency Capital Requirement	Simplifications
		C0110	**C0180**
Market risk	**R0010**	966,757,615.87	
Counterparty default risk	**R0020**	8,316,849.74	
Life underwriting risk	**R0030**	190,123,471.39	
Health underwriting risk	**R0040**	-	
Non-life underwriting risk	**R0050**	-	
Diversification	**R0060**	-131,975,380.02	
Intangible asset risk	**R0070**	-	
Basic Solvency Capital Requirement	**R0100**	**1,033,222,556.98**	

Calculation of Solvency Capital Requirement		**C0100**
Operational risk	**R0130**	155,555,574.46
Loss-absorbing capacity of technical provisions	**R0140**	-693,590,160.55
Deferred tax loss absorption capacity	**R0150**	-15,398,574.67
Capital requirement for business operated in accordance with Article 4 of Directive 2003/41/EC	**R0160**	-
Solvency Capital Requirement excluding the supplementary capital requirement	**R0200**	**479,789,396.22**
Additional capital requirements already defined	**R0210**	-
including additional own funds requirements already established - Article 37 (1) Type a	**R0211**	
including additional own funds requirements already established - Article 37 (1) Type b	**R0212**	
including additional own funds requirements already established - Article 37 (1) Type c	**R0213**	
including additional own funds requirements already established - Article 37 (1) Type d	**R0214**	
Solvency Capital Requirement	**R0220**	**479,789,396.22**
Further information on SCR		
Capital requirement for duration-based equity risk sub-module	**R0400**	-
Total notional Solvency Capital Requirement for the remaining part	**R0410**	495,187,970.89
Total notional Solvency Capital Requirement for ring-fenced funds	**R0420**	-
Total notional Solvency Capital Requirement for matching adjustment portfolios	**R0430**	-
Diversification effects due to RFF nSCRs aggregation under Article 304	**R0440**	-

		C0109
Average tax rate approach	**R0590**	Yes

		C0130
Absorption capacity of the ID	**R0640**	-15,398,574.67
LAC ID - IDP reversion	**R0650**	-
LAC ID - future taxable margins	**R0660**	-15,398,574.67
LAC ID carry back for the year	**R0670**	-
LAC ID carry back of future years	**R0680**	-
Maximum LAC ID	**R0690**	-15,398,574.67

8. STATEMENT S.28.01.01 - MINIMUM CAPITAL REQUIREMENT (MCR) - LIFE INSURANCE OR REINSURANCE ACTIVITY ONLY

Term of the linear formula for insurance and non-life reinsurance commitmentslife		
		C0010
MCR_{NL} Result	**R0010**	-

		Best estimate and TP, Net (of reinsurance/SPV) calculated as a whole	Premiums written during the last 12 months (net of reinsurance)
		C0020	**C0030**
Medical expense insurance and related pro-portional reinsurance	**R0020**	-	-
Income protection insurance, including relat-ed proportional reinsurance	**R0030**	-	-
Workers' compensation insurance and related proportional reinsurance	**R0040**	-	-
Motor vehicle civil liability insurance and related proportional reinsurance	**R0050**	-	-
Other motor vehicle insurance and related proportional reinsurance	**R0060**	-	-
Marine, aviation and transportation insurance and related proportional reinsurance	**R0070**	-	-
Fire and other property insurance and related proportional reinsurance	**R0080**	-	-
General civil liability insurance and related proportional reinsurance	**R0090**	-	-
Credit and surety insurance and related pro-portional reinsurance	**R0100**	-	-
Legal protection insurance and related pro-portional reinsurance	**R0110**	-	-
Assistance insurance and related proportional reinsurance	**R0120**	-	-
Miscellaneous pecuniary loss insurance and related proportional reinsurance	**R0130**	-	-
Health reinsurance, non-proportional	**R0140**	-	-
Accident reinsurance, non-proportional	**R0150**	-	-
Marine, aviation, and transportation reinsurance, non-proportional	**R0160**	-	-
Property reinsurance, non-proportional	**R0170**	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_L result	R0200	50,196,537

		Best estimate and TP, Net (of reinsurance/SPV) calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit-sharing - Guaranteed benefits	R0210	-	
Obligations with profit-sharing – Services	R0220	-	
Index-link and unit-linked insurance obligations	R0230	7,152,942,671	
Other life (re)insurance and health (re)insurance obligations	R0240	2,048,858	
Total capital at risk for all life (re)insurance obligations	R0250		118,446,690

Overall MCR calculation

		C0070
Linear MCR	R0300	50,196,537
SCR	R0310	479,789,396
MCR cap	R0320	215,905,228
MCR floor	R0330	119,947,349
Combined MCR	R0340	119,947,349
Absolute floor of the MCR	R0350	4,000,000

		C0070
Minimum capital required	R0400	119,947,349

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