

International Transport Intermediaries Club Limited (“ITIC”)

Solvency and Financial Condition Report (“SFCR”)

For the year ended 31st May 2026

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Directors’ Statement

We acknowledge our responsibility for preparing the SFCR in all material respects in accordance with the PRA Rules and the Solvency UK (formerly Solvency II) Regulations.

We are satisfied that:

- a. throughout the financial year in question, International Transport Intermediaries Club Limited has complied in all material respects with the requirements of the PRA Rules and the Solvency UK Regulations as applicable to the insurer; and
- b. it is reasonable to believe that International Transport Intermediaries Club Limited has continued so to comply subsequently and will continue so to comply in future.

DocuSigned by:

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Signed

Mr J.D. Woyda, Director. For and on behalf of International Transport Intermediaries Club Limited

05 October 2026 | 12:50 BST
Date

International Transport Intermediaries Club Limited (“ITIC”)

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Summary

Introduction

The PRA regulatory regime for Insurance Companies, known as Solvency UK, came into force with effect from 1st January 2016. The regime required new reporting and public disclosure arrangements to be put in place by insurers and some of that is required to be published on the company’s public website. This document is the 9th year of the Solvency and Financial Condition Report (“SFCR”) that is required to be published by ITIC.

Collectively, the consolidated position for ITIC and its Cypriot subsidiary International Transport Intermediaries Insurance Company (Europe) Ltd (“ITIC Europe”) is referred to as “ITIC”. This report covers the business and performance of ITIC. The report also covers the system of governance, risk profile, valuation for solvency purposes and capital management under the requirements of the Solvency UK regime.

The group has received a waiver from the PRA to present a single group SFCR that incorporates the result of both the group and ITIC on a solo basis. The main part of this SFCR presents the group results, unless otherwise stated. The results of ITIC on a solo basis (“ITIC Solo”) are detailed in this appendix.

The ultimate administrative body that has the responsibility for all of these matters is the group’s board of directors, with the assistance of various governance and control functions that it has put in place to monitor and manage the business.

This document is arranged to fit into a template with standard headings across the industry.

- Section A considers basic information such as the structure of ITIC and the recent results of ITIC.
- Section B considers the governance and risk management of ITIC. It looks at the management and remuneration structure. It then takes the reader through the Own Risk and Solvency Assessment, the risk management framework, internal controls, internal audit, actuarial arrangements and outsourcing.
- Section C looks at the risk profile of ITIC considering underwriting, market, credit, liquidity and operational risks.
- Section D shows the Solvency UK financial position and explains how the GAAP financial statements are converted into a Solvency UK format. Sections are shown for assets and liabilities (technical provisions and other liabilities).
- Section E explains how ITIC manages its capital and shows how the eligible own funds cover the solvency capital requirement and the minimum capital requirement. Again, the difference between the financial statements retained reserves and the Solvency UK eligible own funds is explained.

ITIC’s financial year runs to 31st May each year and it reports its results in US dollars.

Main output and conclusions

For solvency purposes, the group uses the standard formula to calculate its Solvency Capital Requirement (“SCR”) and as a mutual mono-line insurer of the professional indemnity risks of its members, The group’s insurance business is classified as general liability insurance for Solvency UK purposes. Members are dispersed internationally. Business is largely underwritten by ITIC Solo from the United Kingdom other than EU policies which are underwritten via ITIC Europe in Cyprus.

During the year to 31st May 2026, ITIC made UK GAAP surplus for the year of US\$5.7m (year to 31st May 2025 – surplus US\$5.2m). The surplus for the year increased the retained free reserves at 31st May 2026 to US\$65.7m.

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This is the 32nd year that the group has returned premium to its renewing members by way of a continuity credit scheme and the credit expected for the coming 2026/27 year will cost about US\$35.4m out of total forecast premium of US\$82.9m.

For solvency purposes:

- a. Minimum Capital Requirement (“MCR”) coverage. ITIC’s eligible own funds stood at US\$71.8m (2025: US\$67.9m) against an MCR of US\$14.0m (2025: US\$9.1m) thus showing 514% coverage (2025: 748% covered).
- b. Solvency Capital Requirement (“SCR”) coverage. ITIC’s eligible own funds stood at US\$71.8m (2025: US\$67.9m) against an SCR of US\$12.7m (2025: US\$13.6m) thus showing 578% coverage (2025: 498% covered).

Material changes

There are not considered to have been any material changes over the reporting period.

Submission of group return

On 3rd June 2024, the PRA informed ITIC that it had approved ITIC’s application for a modification of Group Supervision rule 18.1(2) and the direction would take effect on 3rd June 2024 and end on 3rd June 2029.

The PRA direction states that the rules listed below apply to the firm with the modifications shown.

Rule	Modification
Group Supervision	18.1
18.1	(1) ... (2) Where a participating Solvency UK undertaking that is a firm or the relevant insurance group undertakings (as appropriate) so decide, and subject to the agreement of the group supervisor, they may must provide a single <i>SFCR</i> which must comprise the following: a) the information at the level of the <i>group</i> which must be disclosed in accordance with (1); and b) the information for any of the subsidiaries within the <i>group</i> which must be individually identifiable and disclosed in accordance with Reporting 3 to 6.

Audit of SFCR

The ITIC board decided that the SFCR for the year ended 31st May 2026 should not be audited. The future position will be considered annually.

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A. Business and performance

A.1. Business

A.1.1 Name and legal form: International Transport Intermediaries Club Limited ("ITIC Solo") is incorporated in England and Wales under the Companies Act 2006 as a company limited by guarantee and not having a share capital. On 11th September 2023, ITIC Solo set up a subsidiary in Cyprus called International Transport Intermediaries Insurance Company (Europe) Ltd ("ITIC Europe").

A.1.2 Supervisory authority: The authority responsible for the financial supervision and review of the SFCR of the group is the Prudential Regulation Authority ("PRA") which is located at 20 Moorgate, London, EC2R 6DA.

The authority responsible for protecting consumers, enhancing market integrity and promoting competition is the Financial Conduct Authority ("FCA") whose address is 12 Endeavour Square, London E20 1JN.

A.1.3 External auditor: The auditors of the ITIC financial statements for the year ended 31st May 2026 were PKF Littlejohn LLP of 30 Churchill Place, London, E14 5RE. This was their third year as auditors of ITIC.

A.1.4 Owners of the undertaking: ITIC Solo is incorporated in England as a company limited by guarantee and not having share capital. Every person or company insured by ITIC Solo or ITIC Europe shall be recorded as a member of ITIC. Every director of ITIC Solo shall be a member, unless at the time of appointment the directors, in their sole discretion, decide otherwise. For example, ITIC Solo's two non-member non-executive directors are not members.

ITIC Solo is the 100% owner of ITIC Europe.

In the event of ITIC's liquidation, the net assets of ITIC are to be distributed among the current members in proportion to the amounts of premium payable by them during the preceding three years.

A.1.5 ITIC's quota share reinsurer: Both ITIC Solo and ITIC Europe have 90% quota share reinsurance contracts with Transport Intermediaries Mutual Insurance Association Limited ("TIMIA"). TIMIA is a parallel mutual insurer and not a member of the group. For information, the managers of the business will often consider the pre-quota share financial position of the group when considering strategy or financial performance.

A.1.6 ITIC's business: The principal activity of ITIC group during the year was the insurance of professional indemnity and public liability risks of professionals in the transport industry. For Solvency UK purposes, ITIC Solo's business is classified general liability insurance.

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As at 31st May 2026, the membership comprised 3,901 members with premium split between:

Other marine activities	26%
Ship broker	18%
Ship manager	17%
Port agency	13%
Liner agency	9%
Naval architect	6%
Aviation	6%
Marine surveyor	5%
	100%

Some members carry on more than one of these activities and many members are insured jointly with their subsidiary or related companies.

The membership is drawn from 132 countries with a substantial number of members from UK, EU states, North America, Australasia, the Far East and the Middle East.

A.1.7 Business planning: For management purposes, and consistent with ITIC’s business planning, strategy and ORSA, ITIC considers its forecasts and results pre-quota share. Its quota share reinsurer is TIMIA. Whilst most tables / financial amounts will relate to the ITIC, if the amounts have been presented in as pre-quota share (ITIC Solo, ITIC Europe and TIMIA) to recognise the benefit of the quota share arrangement then this will be stated as such.

A.1.8 Trends and factors: The following summary of the year to 31st May 2026 has been extracted from the Chair’s statement which is posted on the ITIC website. It should be noted that this statement refers to the pre-quota share position (i.e. the combined ITIC, ITIC Europe and TIMIA). Comments on the underwriting and investment result of ITIC as a solo entity are shown in sections A.2 and A.3.

“I am delighted to report that during the year ended 31st May 2026 (Club year “2025/26”), the ITIC group (ITIC and its EEA subsidiary ITIC Europe) combined with its mutual reinsurer Transport Intermediaries Mutual Insurance Association Limited (“TIMIA”), has again produced a strong surplus of US\$31.7m after paying US\$28.3m in continuity credit, an increase on the US\$18.8m credit paid in the previous year.

The continuity credit paid to renewing members, now to be distributed for the 32nd consecutive year, effectively reduces the cost of your insurance, and is one of the many significant benefits of being an insurance mutual.

Your board, at its meeting in March 2026, reviewed the level of ITIC’s free reserves, which are strong and significantly in excess of solvency requirements, and determined that for all renewals in the 2026/27 year, they would pay an enhanced continuity credit as follows:

- For one-year policies, a credit of 35% of the premium;
- For two-year policies, a credit of 45% for year one and at least 30% for year two; and
- Those in the second year of a policy, begun in 2025/26, will receive a credit of 45%, which was substantially more than the original 30% promised by the board at its meeting in March 2025.

This reflects ITIC’s commitment to distributing excess capital to its members. Indeed, since the continuity credit payments began, I am pleased to report that more than US\$252m has been returned to you, the members.

The risk for all claims up to US\$1.0m continues to be retained by ITIC, as well as an additional annual retention of US\$2.0m in excess of the primary US\$1.0m across the claims’ portfolio. We are also comfortable that the reinsurance in place reduces the risks of large claims to an acceptable level at a reasonable cost.

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ITIC’s gross earned premium increased in 2025/26 by 3.8% and we continue to retain approximately 97% of members at renewal each year; an indication of how highly our members view the quality of service and cover given.

I am also pleased to advise that the combined free reserves of the ITIC group and TIMIA, were US\$320.7m as at 31st May 2026.

Owing to the significant strength of our reserves, and in common with past years, the board has again also closed the preceding policy year; meaning that all years to the end of 2024/2025 are now closed. ITIC has never requested additional premium for any policy year.

ITIC’s financial strength puts it in an enviable position to be able to further enhance its ability to service its membership.

In Europe, ITIC’s EEA subsidiary, ITIC Europe, has firmly established itself as the insurer for our European membership. What began as a response to regulatory change has now become a permanent and valuable part of the Group. The team of ITIC employees in Limassol, Cyprus, enables us to serve European members directly whilst maintaining the specialist expertise, service standards and mutual ethos that have always distinguished ITIC.

Building on this success, ITIC is the process of establishing of a Singapore operation, subject to obtaining the necessary regulatory approvals. Singapore is a significant centre for maritime, aviation and transport services and your board believes that developing a local presence will further strengthen ITIC’s ability to support members, brokers and industry partners across Asia. Together with ITIC Europe, this represents a significant milestone in the continued evolution of ITIC from a London-based mutual into a truly international organisation, whilst remaining firmly committed to the specialist markets and personal service upon which ITIC’s reputation has been built.

I am also pleased to report on the continued growth and development of ITIC’s aviation business. Over recent years, aviation has evolved from a specialist niche within ITIC into an increasingly important and established line of business. The recruitment of additional aviation expertise, continued growth in membership and increasing recognition of ITIC’s capabilities within the aviation market demonstrate the transferability of ITIC’s professional indemnity experience and the value of its mutual approach. Aviation now forms a key component of the Club’s long-term growth strategy and further diversifies the membership which ITIC serves.

It was a pleasure to meet so many of you at ITIC’s centenary celebration in London in September 2025. Over 500 guests were in attendance, from as far afield as Buenos Aires, Santos, Tauranga, Singapore, Taipei, Istanbul, Louisiana, Bucharest, Barcelona and Lima, reflecting ITIC’s truly global footprint and the trust placed in ITIC from our members and brokers. We were also delighted to host a dinner on the day of the 100th anniversary of ITIC’s first meeting, 2nd December, for the 25 members of ITIC who have been insured with us since 1925.

During 2025/26, ITIC continued to demonstrate that its contribution to the industries it serves extends well beyond the provision of insurance. ITIC remains actively involved in a wide range of industry associations, technical working groups, conferences and educational events around the world. Our continuing participation in BIMCO drafting projects and contribution to discussions concerning contractual standards, regulatory developments and industry best practice reflects the high regard in which ITIC’s expertise is held internationally. The experience gained through assisting members with claims, disputes and contractual challenges allows ITIC to play an influential role in the development of the sectors it serves and to share valuable lessons for the benefit of the wider industry. In November 2025, ITIC hosted its inaugural “mock mediation” in Limassol, Cyprus, drawing a large and enthusiastic audience who witnessed the live mediation of a dispute between a ship owner and a ship manager. In April 2026, the CEOs and legal counsel representing the world’s 10 largest ship

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managers – and 45% of the global managed blue-water fleet – gathered in Singapore for an ITIC forum, where ITIC facilitated discussion on the current pressing commercial, legal and operational issues impacting this key sector of our membership.

Other events included claims seminars for members of the Hellenic Shipbrokers’ Association in Athens, the Maltese Shipbrokers’ Association in Malta, International Institute of Marine Surveyors, FONASBA, Barcelona Ship Agents Association, Royal Institution of Naval Architects and the Cyprus Shipping Association in Cyprus.

ITIC regularly writes risk management and loss prevention pieces for various publications such as Ship Management International, The Naval Architect (RINA) and Shipping Network (ICS).

In the aviation space, ITIC continues to grow its portfolio in the aviation sector and has gained speaking engagements at a number of prominent aviation conferences over the past year. ITIC’s standing in the general aviation sector was recently enhanced by the appointment of Melanie Daglish, ITIC’s Director of Aviation, to the Board of the BBGA (British Business and General Aviation Association) in March 2026.

ITIC’s website contains a wealth of information including on-demand webinars, podcasts and templated standard trading conditions and contract wordings. There are also dedicated sections with updates about all of the latest sanctions and guidelines on fraud and how to avoid it happening to your business. We would encourage you all to use ITIC’s website and to report back to us if there is anything that you would like to see which is not already included.

The insurance, claims, contractual advice and practical help that we provide to members, advisers, brokers and introducers around the world, through our expert and highly experienced team, continues to set us apart.

ITIC reports fully to Solvency UK standards and is regulated by the Prudential Regulation Authority and the Financial Conduct Authority. Details of ITIC’s solvency position can be found in the Solvency and Financial Condition Report, which is available on the ITIC website: <https://www.itic-insure.com/about-itic/solvency-ii-reporting/>

Finally, I would like to thank the boards of ITIC, ITIC Europe and TIMIA, as well as our truly dedicated executive team who have again worked so hard to deliver an outstanding service, the brokers who we work with for their support and you, our members, who place trust in us as your dedicated specialist insurer for professional indemnity insurance.

The accounts and financial highlights for the 2025/26 year will be available on the website (www.itic-insure.com) before the AGM on 24th September 2026.”

A.1.9 Business Objectives: ITIC’s objectives are as follows:

“The key objective of ITIC is to provide competitively priced professional indemnity insurance (and related products) with loss prevention advice to businesses (known as members) servicing the marine and transport industry through a mutual insurance company, which maintains strong reserves and is supported by at least “A-” rated security, sound risk management, quality service and competent staff.”

A.2. Underwriting Performance

A.2.1 Underwriting performance: The following has been summarised from the group’s financial statements:

- Premium increased by 3.8% (2025: 6.3%) coming from a net increase in members and strong renewals.
- Excess of loss reinsurance costs reduced slightly benefiting from a strong renewal and two-year policies.

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- Net claims costs increased following strengthening of claims reserves to reflect a pattern of later than expected deterioration of earlier years.
- Management fees increased to reflect new resource taken on.
- Other expenses remained high as the group took advice on how to react to the proposed merger of the UK P&I Club and the TT Club.
- Noting the ongoing strong performance, the board decided to maintain the level of continuity credit for 2026/27 at 35% - 45%.
- The combined loss ratio before continuity credit and quota share reinsurance for the financial year was 77.8% compared with the prior year's 72.3%.

It should be noted that the figures relate to the ITIC on a pre-quota share basis.

ITIC writes only one class of business. Premium is written in one-year or two-year policies and the renewal of these policies is uneven. A break clause is in place for the midpoint of two-year policies. More premium is written in years ending in an even number. The business review clearly summarises the premium on an earned basis and this shows a more even split between consecutive years.

	Notes	2026 US\$ 000s	2026 % of gross earned premium	2025 US\$ 000s	2025 % of gross earned premium
Gross earned premium	5	79,358	100.0%	76,427	100.0%
Less acquisition costs including management fee element	8	(12,646)	15.9%	(12,367)	16.2%
Less excess of loss reinsurance costs	6	(5,271)	6.6%	(5,524)	7.2%
Net retained premium		61,441	77.4%	58,536	76.6%
Claims incurred net of excess of loss recoveries including management fee element	7	(30,404)	38.3%	(26,902)	35.2%
Management Fee (excluding acquisition and claims elements)	9	(9,115)	11.5%	(7,597)	9.9%
Other expenses	8	(4,283)	5.4%	(2,898)	3.8%
Total claims and other expenses		(43,802)	55.2%	(37,397)	48.9%
Total costs (excluding continuity credit)		(61,719)	77.8%	(55,288)	72.3%
Operating surplus before continuity credit and quota share reinsurance		17,639	22.2%	21,139	27.7%
Less continuity credit	5	(28,278)	35.6%	(18,769)	24.6%
Net (cost) / benefit of quota share reinsurance	see below *	12,110	-15.3%	(1,122)	1.5%
Surplus / (deficit) on technical account before investment result		1,471	1.9%	1,248	1.6%
Investment return	14	4,703		3,353	
Exchange result	15	621		1,318	
Surplus before tax		6,795		5,919	

Further geographical analysis is presented in appendix S.05.02 which forms part of the group's annual Quantitative Reporting Template (“QRT”) requirement.

A.2.2 Mitigation techniques: ITIC's reinsurance programme is designed to manage risk to an acceptable level to optimise the group's capital position. The programme comprises excess of loss reinsurance cover to protect against individual large losses, and a 90% quota share arrangement with TIMIA.

A.3. Investments performance

A.3.1 Performance of investments: The table in A.2.1 above shows the group's investment result for the years to 31st May 2025 and 2026. All of ITIC's investments are in fixed income securities and UCITS, however its investment result is adjusted via the quota share agreement to reflect 10% of the combined pre-quota share return of the ITIC Solo and its quota share reinsurer TIMIA.

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A.3.2 Other information on investments: Information on investment expenditure is not shown separately. There are no gains or losses recognised directly in equity. There are no investments in tradable securities or other financial instruments based on repackaged loans.

A.4. Performance of other activities

ITIC does not carry on any other activities.

A.5. Any other information

EEA business. ITIC underwrites approximately 27% of its business in the European Economic Area excluding the United Kingdom. Since 8th February 2024, ITIC underwrites this business through ITIC Europe. On 1st December 2024, the unexpired policies and claims for the previous fronting arrangement for EEA business with UK P&I Club N.V. were transferred into ITIC Europe.

Other. ITIC considers no other information relevant to the disclosure relating to its business and performance.

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B.1.1 Structure of the undertaking's administrative, management or supervisory bodies: The Articles of Association ("the Articles") give the board of directors extensive powers to manage the affairs of ITIC Solo, and the Articles set out how these powers are to be exercised. The board delegate the day to day running of ITIC Solo to the managers, International Transport Intermediaries Management Company Ltd ("ITIM") and of ITIC Europe to Thomas Miller Cyprus Insurance Agency Ltd.

Board meetings are held at least three times a year. The Chair has the power to call a board meeting at any time, and the Secretary of ITIC Solo may call a board meeting at the request of any director.

The governance structure of the group is explained in the Risk Management Policy. In summary, this covers the following administrative, management and supervisory functions.

- a. Board. The board bear ultimate responsibility for the management of risk and for maintaining a sound system of internal control that supports the achievement of the business plan, policies, aims and objectives of the group.
- b. Audit Investment & Risk ("AIR") committee. The AIR committee supports the board, particularly in overseeing matters concerning audit, investment and risk.
- c. Risk owners. The risk owners include the chief executive officer, underwriting director, claims director, commercial director, chief financial officer, chief operating officer and the investment manager.
- d. International Transport Intermediaries Management Company Ltd board ("ITIM board") (including the risk management function). The ITIM board carries out the role of managers of the business.
- e. Risk and compliance function. This function is largely carried out by the risk and compliance officer, an individual who does not get involved in the day to day running of the business and whose line management is outside of the business.
- f. Actuarial Function. The actuarial function contributes to the effective oversight of the risk management system, risk modelling and the ORSA process.
- g. Internal audit function. The internal audit function operates at the direction of the AIR committee. It assesses risks, forms and internal audit programme and undertakes internal audits.
- h. Statutory auditors.

ITIC Europe will be covered by the same governance but may also have functions locally.

B.1.2 Material changes in the system of governance: There have been no material changes in the system of governance that have taken place over the reporting period.

B.1.3 Remuneration: There are no direct employees of ITIC. The non-executive directors of ITIC are remunerated by a fixed fee proposed by the managers and approved by the board which is not linked to the performance of ITIC. Directors are not entitled to any pension or early retirement schemes. The directors are paid an annual fee and a fee for each meeting attended as authorised under the bye-laws. The current fees are:

	2026 Annual fee £	2026 Attendance fee £	2025 Annual fee £	2025 Attendance fee £
Chair of main ITIC board and Audit Investment & Risk Committee	20,300	5,700	19,700	5,500
Chair of Nominations Committee	10,800	5,700	10,500	5,500
Directors	5,700	5,700	5,500	5,500

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The fees for the non-member non-executive directors are individually negotiated. There are no fees paid to the executive directors who receive their remuneration via the management company.

B.1.4 Variable remuneration components and shares: As detailed above, there are no direct employees and therefore no variable remuneration components other than that mentioned above.

B.1.5 Transactions with related parties: ITIC has no share capital and is controlled by the members who are also the insured. Subsequently, all insurance transactions are deemed to be between related parties. These are the only transactions between ITIC and its members.

ITIC's two non-member non-executive directors are not members of ITIC and ITIC's two executive directors are not members either. The remaining directors are current representatives of member companies and, other than the member interests of their companies, the directors have no financial interests in ITIC. No loans have been made to the directors and none are contemplated.

ITIC reinsures with Transport Intermediaries Mutual Insurance Association Limited of Bermuda on a 90% quota share basis both its liabilities from 1st September 1992 and its liabilities assumed under the agreement to run-off Transport Intermediaries Mutual Insurance Association Limited and the Chartered and International Shipbrokers P&I Club Limited (CISBA).

ITIC has two subsidiary companies, International Transport Insurance Intermediaries Company (Europe) Ltd ("ITIC Europe") and International Transport Intermediaries Club Advisory & Loss Prevention Pte. Ltd. ("ITIC A&LP"). ITIC Europe was set up to underwrite ITIC's EU business and ITIC A&LP was set up to provide loss prevention and consultancy services in Singapore.

International Transport Intermediaries Management ("ITIM") provides key management personnel for ITIC. ITIM is a subsidiary of Thomas Miller Holdings Limited.

B.1.6 Assessment of the adequacy of ITIC's system of governance: The following has been extracted from the financial statements for the year to 31st May 2026:

"The group has risk management procedures in place which address the five risk areas laid out in the Prudential Regulation Authority's Handbook. These are credit risk, market risk, liquidity risk, operational risk and insurance risk. The group has developed a business risk assessment which defines the risks and sets out the procedures that are in place to mitigate those risks. The business risk assessment is reviewed regularly by the board.

The group has taken steps, where appropriate and possible, to mitigate the risks with internal controls and procedures and management oversight. Where appropriate, the group monitors its risks through regular reporting of monetary and non-monetary risks via a series of key risk indicators. These are presented to the board and / or AIR committee four times per year. The group's principal risks and uncertainties are to insurance (including loss of financial strength and loss of business to competition); market (including loss or impairment of investments), currency, credit, liquidity and cashflow risks are further explained in note 4 of these financial statements. The group accepts levels of risk in different areas as set out in its Risk Appetite Statement.

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The group addresses other risks namely political (including change to UK tax agreement) and climate change risk. The group considers how these could impact the financial risks and insurance risk exposures via its emerging risks log as well as via the climate change policy and plan. The group also considers fraud risks (including misappropriation of investment funds) and this is managed through the fraud risks register.

The group currently has a climate change policy and plan which aims to address relevant environmental, social and governance requirements. The group has put in place a policy to assist in managing the financial risks associated with the effects of climate change and to ensure that the group has adequate oversight and control of this area and understands how climate change relates to other risk groups. The financial risks emanating from climate change can impact other risk groups, specifically the strategy, insurance, credit and market risk areas. Financial risks from climate change arise through two primary channels, being physical and transition factors. In addition, liability can arise from third parties who have suffered loss or damage from physical or transition risk factors associated with climate change.

The objective of the climate change policy is to:

- a. embed the consideration of the financial risks from climate change in the group's governance arrangements;
- b. incorporate the financial risks from climate change into existing financial risk management practice;
- c. use (long term) scenario analysis to inform strategy setting and risk assessment and identification; and
- d. develop an approach to disclosure on the financial risks from climate change.

The board is responsible for setting the climate change policy and ensuring that there are adequate processes in place to monitor and manage the financial risks from climate change within the parameters defined by the risk appetite. The risk function is responsible for assessing and monitoring the risk profile from climate change against the risk appetite and its tolerances. Stress and scenario testing relating to financial risks from climate change is being developed by the risk function and will be monitored regularly. There is a review at the board and Audit Investment and Risk committee of key risks, including risks associated with climate change. The ORSA considers the impact of climate change on the organisation. Risk identification and management is monitored throughout the year.

The group is comfortable that it has identified and taken into consideration its risk environment, as summarised above, and that it holds sufficient capital and reserves to cover its potential impact. The ITIC board approved its Own Risk and Solvency Assessment at the board meeting in March 2026 and this was submitted to the Prudential Regulation Authority shortly afterwards.”

B.1.7 Delegation of responsibilities, reporting lines and allocation of functions: ITIC has no direct employees as ITIC's management is wholly outsourced to International Transport Intermediaries Management Co Ltd (“ITIM”) or other companies within the Thomas Miller Holdings Ltd group of companies (the “managers”) in accordance with the management agreements. The management agreements also cover the management fees between ITIC and ITIM.

B.2. Fit & Proper requirements

B.2.1 Process: ITIC maintains a Fit & Proper policy which sets out its approach to the Fitness & Propriety of persons who effectively run ITIC, including the board, executive senior

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management and key function holders. It describes key aspects of the Fit & Proper processes and identifies the main internal reporting and review procedures.

B.2.2 Requirements: The objectives of the policy are to ensure that:

- a. All persons who are within the scope of this policy meet the definitions of fit & proper as set out above;
- b. Collectively and at any given time, the directors of ITIC (“the directors”) possess sufficient knowledge, competence and experience to provide sound and prudent decision making in all areas relevant to business;
- c. Collectively, the executive senior management, including individuals subject to the Certification Regime and key function holders (“management”) possess sufficient knowledge, competence and experience to manage and operate ITIC effectively on a day-to-day basis. This will cover at least the following areas:
 - i. Insurance and financial markets;
 - ii. Business strategy and the business model;
 - iii. System of governance;
 - iv. Financial and actuarial analysis; and
 - v. Regulatory framework and requirements;
- d. Adequate and timely notifications and submissions are made to the relevant regulatory authorities.

In addition to the above it is appropriate that all those within scope of this policy understand the conduct standards and rules set out by the Prudential Regulation Authority (“PRA”) and Financial Conduct Authority (“FCA”).

B.2.3 List of responsible persons: The following is a list of those persons that are responsible for the key functions.

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Board tenure		Controlled functions if any	Length of time on board	Length of time as chair	Potential years remaining to 70 years
ITIC board - non exec					
RM Bishop	SMF13 Chair of the Noms Committee		14.4	7.5	0.8
JD Woyda	SMF9 Chair of the Governing Body		11.4	3.2	5.7
C Devantier			7.2		10.2
F Bognin	SMF10 Chair Risk Committee & SMF11 Chair Audit Committee		5.2	3.4	25.9
J Palin			3.7		17.6
A Leach			3.7		7.2
B Maclehose			3.7		24.6
S Graf von Hardenberg			1.7		16.0
D Chin			1.2		18.1
Resigned in last 12 months					
C Schou (retired Sep-2025)					
ITIC board - non-member non-exec					
TG Durkin (non-member)			5.5		
AJ Groom (non-member)			5.5		
S Swallow (non-member)			0.2		
ITIC board - exec					
TJ Irving	SMF1 Chief Executive		4.7		
TM Evans	SMF2 Chief Finance & SMF3 Executive Director		9.6		
ITIC Europe board - non-exec					
C Devantier (see also ITIC)	Chair of board		2.4	2.4	
E Toumpouris	Chair of ARC		2.4	2.4	
A. Andreou			2.4		
CJ Kirk			2.4		
TJ Irving (see also ITIC)			2.4		
TIMIA board - non-exec					
T Neijmeijer			5.2		
M Seymour Smith (chair)			3.9	3.1	
M Shakesheff			3.1		
D Casling			2.1		
		Amber if	>12 years	>5 years	<3 years
ITIC managers					
			ITIM director (years)		
CJ Kirk	-	CF1 Director app. rep.	28.4		
AK Mactavish	SMF23 CUO & SMF24 COO	CF1 Director app. rep.	19.9		
TM Evans	See above	CF1 Director app. rep.	17.2		
TJA Irving	See above	CF1 Director app. rep.	7.7		
ML Brattman	SMF18 Other Overall Responsibility	CF1 Director app. rep.	5.3		
RG Hodge	-	CF1 Director app. rep.	5.3		
RD Sniffen	-	CF1 Director app. rep.	3.4		
		SMF4 Risk, SMF 16 Compliance &			
SA Rakha	SMF17 MLRO	CF1 Director app. rep.	1.0		
YS Lau	SMF20 Chief Actuary		n/a		
AM Holder-Holdsworth	SMF5 Head of Internal Audit		n/a		
JK Pennington	SMF24 Chief Operations Officer (IT)		n/a		

Updated 29/6/26

B.3. Risk management system

The following information considers the process that ITIC has adopted to fulfil its obligation to conduct an ORSA. The following is an edited extract from the introduction to the ORSA overview report which was approved by the Board of Directors in March 2026 and subsequently filed with the PRA. ITIC Europe was referred to in the ORSA but it was effectively prepared on a solo basis.

B.3.1 The Own Risk and Solvency Assessment

“[The Own Risk and Solvency Assessment (“ORSA”)] part of International Transport Intermediaries Club Limited (“ITIC Solo”) and International Transport Intermediaries Insurance Company (Europe) Limited (“ITIC Europe”) requirements under Solvency II to conduct an Own Risk and Solvency Assessment (“ORSA”). The ORSA is an annual process, used by an insurance company to manage its risks and financial / solvency position over the period of its medium-term business plan. In particular, it is necessary to ensure that the decisions

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underlying that plan are consistent with the insurance company’s risk appetite and business strategy.

ITIC [Solo] and ITIC Europe write insurance business to Members in non-EEA and EEA jurisdictions, respectively. Both entities have a 90:10 quota share reinsurance arrangement with the parallel reinsurer Transport Intermediaries Mutual Insurance Association Limited (“TIMIA”) which provides capital protection to these entities. ITIC [Solo] also owns all of the share capital of ITIC Europe, an entity incorporated in Cyprus. The regulatory and capital requirements for ITIC [Solo] and ITIC Europe as solo entities and as a group are discussed [later in the report].

While ITIC Solo, ITIC Europe, and TIMIA are separate legal entities, business planning is carried out on a combined basis. This includes the intra-group quota share arrangement. Planning on a combined basis ensures that decisions reflect the full benefit of the capital available within ITIC [Solo].

The ORSA process for 2025/26 has been conducted in line with ITIC’s **ORSA policy** and has culminated in this report which, together with the regular Key Risk Indicators of board agendas, provides a high-level overview to help directors understand the risks around ITIC’s business strategy and in particular its medium-term business plan. The following table provides a summary guide to this report:

Sections	Title	Description
2	Executive summary	
3	Strategy	A recap of ITIC’s strategy and high-level risk appetites.
4	Summary of recent performance	A summary of recent experience to provide some background.
5	Risk profile	An overview of ITIC’s risk profile broken down by Solvency II risk categories.
6	Business planning	Forecasts (and underlying assumptions) of ITIC’s financial position and capital adequacy over the medium term. Scenario tests in respect of possible variances.
7	Entities	A summary of the capital requirements and risk profile for ITIC on a legal entity basis.
8	Appendix A: Key judgements, validation and limitations	A summary of the key judgements, assumptions, sensitivities and limitations around the capital model. Some model validation via scenario testing is also included.
9	Appendix B: Appropriateness of the standard formula SCR	A comparison of ITIC’s risk profile to that assumed by the Solvency II standard formula. This is a key regulatory requirement of the ORSA.
10	Appendix C: Risk appetite graphs for continuity credit options	The risk appetite graphs for each of the continuity credit options proposed for the forthcoming renewal.
11	Appendix D: Alternative Scenarios (ITIC & ITIC Europe)	Impact of the alternative scenarios discussed in (Sections 6.4 and 6.6) on ITIC (Group) and ITIC Europe.
12	Appendix E: Glossary	

This report is high level in nature and references are made to supporting documents throughout. The documents referred to are available upon request from the managers and may also be available on AdminControl.”

B.3.2 Description of risk management framework: The risk management framework is explained in the Risk Management Policy. It explains the ITIC’s underlying approach to risk management:

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- a. It describes key aspects of the risk management process;
- b. Identifies the main reporting procedures; and
- c. Forms part of the ITIC’s internal control and governance arrangements.

The document also describes the process that the board use to evaluate the effectiveness of ITIC’s risk management and internal control.

ITIC has identified its meaningful risks and considers that its risk universe comprises the list below. These exposures could threaten ITIC’s viability, materially impact asset values or result in material underperformance.

- a. Market / strategic risks: exposures arising from inadequate or ineffective strategy formulation as well as the risk of ineffective execution;
- b. Insurance (underwriting and reserving) risks which includes concentration risks: exposures from being a mono-line insurer in a specialist area;
- c. Financial control risks: encompassing liquidity, credit, reinsurance, investment and asset liability management risks;
- d. Operational risks: exposures arising in day-to-day business activities and include organisational risks which take in the potential of having ineffective or insufficient leadership as well as the quality of talent and effectiveness of human resource systems such as development, compensation and performance management;
- e. Membership risks, including reputational risks;
- f. Compliance & regulatory risks;
- g. Human resources risks which include organisational risks which take in the potential of having ineffective or insufficient leadership as well as the quality of talent and effectiveness of human resource systems such as development, compensation and performance management;
- h. Emerging risks;
- i. Criminal Finances Act risks;
- j. Sanctions risks;
- k. Fraud risks; and
- l. Bribery risks.

Furthermore, external risks could create exposures the enterprise cannot control.

Each risk identified in ITIC’s business risk assessments (see later) is linked to one of the above.

The risk universe helps shape the ITIC board agenda and tasks management to undertake initiatives to reduce exposures and improve performance. This is summarised in this policy and works alongside the ITIC rolling business plan and risk appetite statement.

The objectives of the ITIC risk management policy are to identify, manage and report risk in a consistent and timely fashion on the basis of the ITIC’s risk appetite as agreed by the ITIC board and documented in the business plan.

The risk management policy seeks both to ensure that all activities of the business are appropriately aligned to the furtherance of business plan and to provide the necessary independent challenge to those activities. It also helps to both support and relay the business plan throughout the organisation.

The following key principles outline the ITIC’s approach to risk management:

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- a. to maintain processes that identify and address all risks associated with the activities of the business;
- b. to promote a high level of integrity and establish a culture that encourages risk reporting and debate about risk throughout the business;
- c. to recognise and disclose the financial and non-financial implications of risks;
- d. to be compliant with all laws and regulations;
- e. to be proportionate to the nature, scale and complexity of the risks inherent in the business;
- f. to be integrated into planning, decision-making and operational processes, and responsive to changing circumstances; and
- g. to deliver continuous improvement in the control environment.

ITIC’s internal control and risk management systems apply the ‘three lines of defence’ model:

- a. First line of defence: the **risk owners** – these are the business units such as underwriting, claims, actuarial and finance responsible for matters such as the identification and effective management and mitigation of risks;
- b. Second line of defence: **risk management and compliance** functions, providing challenge to activities and decisions that materially affect ITIC’s risk profile; and
- c. Third line of defence: **internal and external audit** providing independent assurance.

B.3.3 Information on strategies processes and risks: The following has been disclosed in the notes to the financial statements.

“ITIC is governed by the board of directors which drives decision making within ITIC from board level through to operational decision making within the managers. The board considers the type and scale of risk that ITIC is prepared to accept in its ordinary course of activity and this is used to develop strategy, risk appetite and decision making.

ITIC is focused on the identification and management of potential risks. This covers all aspects of risk management including that to which ITIC is exposed through its core activity as a provider of insurance services plus the broader range of risks. ITIC considers its key risks as the following:

- Insurance risk - incorporating underwriting and reserving risk;
- Market risk - incorporating investment risk, and interest rate risk;
- Currency risk - the risk of adverse currency exchange movements;
- Credit risk - the risk that a counterparty is unable to pay amounts in full when due; and
- Liquidity and cash flow risk - the risk that cash may not be available to pay obligations as they fall due.”

B.3.4 Financial risk management objective: ITIC is exposed to financial risk through its financial investments, reinsurance assets and liabilities to policy holders. In particular, the key financial risk is that the proceeds from financial investments are not sufficient to fund the obligations arising from policies as they fall due. The most important components of this financial risk are market risk or investment risk (comprised of interest rate risk, equity price risk and currency risk) together with credit risk and liquidity risk.

ITIC manages these risks using a risk governance structure incorporating the managers' risk committee and the Audit Investment & Risk Committee. Further details can be found in the Group Strategic Report on pages 4 to 6.

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The board is responsible, advised by ITIC's Chair working with the Audit Investment & Risk Committee, for setting investment policy and the appropriate level of market or investment risk. This is set with reference to the overall risks faced by ITIC which are analysed as part of the ORSA process.

The processes used to manage risks within ITIC are unchanged from the previous period.

Underwriting process: ITIC has an underwriting policy which is approved by the board annually which manages the underwriting risk. The policy sets out the processes by which the risk is managed. ITIC operates a risk rating system which provides underwriting parameters for assessing the premium to be charged. All policies are signed off by the underwriting director or an individual delegated by the underwriting director.

Reinsurance: ITIC's reinsurance programme is designed to manage risk to an acceptable level to optimise ITIC's capital position. The programme comprises excess of loss reinsurance cover to protect against individual large losses, and a 90% quota share arrangement with TIMIA.

Reserving process: ITIC establishes provisions for unpaid reported claims and relating expenses to cover its expected liability. These provisions are established through the application of actuarial techniques and assumptions as set out in note 3 of the financial statements as directed and reviewed by the Audit Investment & Risk Committee. In order to minimise the risk of understating these provisions, the assumptions made and actuarial techniques employed are reviewed in detail by senior members of the managers and ITIC's Audit Investment & Risk Committee.

B.3.5 Capital management: ITIC maintains capital, comprising of policyholders' funds (surplus and reserves), consistent with ITIC's risk profile and the regulatory requirements of the business. At the 31st May 2026, the total retained GAAP reserves available amounted to US\$65.7m (2025: US\$60.0m).

ITIC's strategy is to maintain sufficient capital to exceed the Standard Formula Solvency UK Capital Requirements such that there is less than a 1 in 200 chance of breaching this requirement over the subsequent year.

B.3.6 Information on material risks not fully included in the calculation of the Solvency Capital Requirement (“SCR”): No material risks have been omitted from the calculation of the SCR. However, the Own Solvency Needs Assessment, which evaluates the ITIC's own view, as opposed to the regulatory view, of solvency needs, portrays a capital requirement with a more complete view of the various risk elements.

B.4. Internal control system

B.4.1 Description of internal control system: The main objectives of ITIC's internal control policy are to help secure:

- a. the effectiveness and efficiency of operations in view of ITIC's business strategy and objectives, and the protection of its resources;
- b. the availability and reliability of appropriate, accurate and complete financial and non-financial information for internal and external reporting; and

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- c. the undertaking’s compliance with applicable laws, regulations and administrative provisions (see also the Regulatory Compliance Policy).

ITIC’s internal control and risk management systems apply the ‘three lines of defence’ model:

- a. First line of defence: the risk owners – these are the business units such as Underwriting, Claims, Actuarial and Finance responsible for matters such as the identification and effective management and mitigation of risks;
- b. Second line of defence: risk management and compliance functions, providing challenge to activities and decisions that materially affect ITIC’s risk profile; and
- c. Third line of defence: internal audit providing independent assurance.

The board bears ultimate responsibility for maintaining an internal control policy that supports the achievement of the business strategy and objectives of ITIC. Its responsibilities include:

- a. Setting the tone and influencing a strong culture of internal control within ITIC, including the standards and expectations for staff with respect to conduct and probity;
- b. Providing governance, guidance and oversight;
- c. Reviewing and challenging the key performance indicators (“KPI”), key risk indicators (“KRI”) and key control indicators (“KCI”) at each board meeting.
- d. Reviewing at least annually ITIC’s overall approach to internal control and assessing the effectiveness of this policy in managing the mitigating controls associated with business risks, challenging findings and recommendations for change or to maintain the status quo as necessary and approving changes or improvements to this policy as appropriate.

The AIR committee supports the board by:

- a. Considering the effectiveness of this policy, management information and internal control processes;
- b. Reviewing and challenging the KPI, KRI and KCI at each committee meeting;
- c. Considering the incidence of any material control failings or weaknesses identified at any point within the year and the impact that they have had or could have on financial results and regulatory requirements;
- d. Reviewing this policy on an annual basis and approving recommendations by the ITIM board for changes or for the maintenance of the status quo. Then recommending this policy for approval by the board on an annual basis; and
- e. Reporting and making recommendations as appropriate, to the board on the activities, reviews and evaluations set out above and as required.

Whereas the board bears ultimate responsibility for Internal Control, the managers are responsible for establishing, maintaining and promoting efficient business practices and effective internal control processes. The ITIM board is responsible for:

- a. Carrying the tone set by the board through to the managers and promoting a strong culture of internal control;
- b. Maintaining an overview of the adequacy of control activities to mitigate risk exposures, identify material control failings and weaknesses, reviewing electronic quality management system (“EQMS”) documents, internal and statutory audit reports (on internal control), considering loss / near miss events, control failures, and identifying and assessing improvement needs and opportunities, monitoring their implementation as required;
- c. Monitoring the relevant KPI, KRI and KCI at each ITIM board meeting.

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- d. Monitoring the implementation of agreed improvements to internal control processes arising from the findings of EQMS management reviews, internal and statutory audit reports;
- e. Reviewing this policy for its effectiveness, and considering suggestions for change or the maintenance of the status quo at least annually, challenging as appropriate.
- f. Ensuring the application of this policy and the design, development, implementation, embedding, documentation and maintenance of effective internal control processes in each ITIM board member's area of operation.

The risk officer's responsibilities in respect of internal control include:

- a. challenging the effectiveness of internal control processes to mitigate risk;
- b. identifying and reviewing notifications by others of loss / near miss events in the Operational Risk Database (see also the operational risk policy); and
- c. Production of and monitoring the Regulatory Compliance Plan.

The regulatory compliance function's responsibilities include monitoring compliance with policies and procedures in respect of internal control as set out in the Regulatory Compliance Framework.

The Actuarial function's responsibilities include contributing to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements; and the ORSA process.

All staff are responsible for:

- a. Accurate input of data and production of information;
- b. Accurate performance of internal control activities;
- c. Reporting of operational problems, non-compliance or other policy violations or illegal actions;
- d. Suggesting improvements which may increase the effectiveness and efficiency of processes including EQMS processes and procedures as appropriate.

The internal audit function's responsibilities in respect of internal control include:

- a. Monitoring that this policy and the internal control processes throughout ITIC are properly designed and implemented in furtherance of the internal control objectives and that they are operating in an effective and efficient manner;
- b. Periodically reporting to the audit committee and board on the adequacy and effectiveness of this policy and internal control processes, compliance therewith, and making recommendations for improvement as appropriate.

Statutory auditors provide the boards, members and managers with assurance by:

- a. Giving an opinion on whether the financial statements give a true and fair view of the state of ITIC's financial position, performance and cashflows at the year-end and of its result for the year just ended; and
- b. Informing the audit committee on the operation of the internal financial controls reviewed as part of the annual audit.

The managers are responsible for promoting the strong culture of internal control and for establishing and maintaining an effective control environment, linked to and in support of risk management and the risk appetite set by the boards, throughout the organisation.

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The policy is underpinned by a series of policies, processes, procedures and plans, designed to define and support effective, efficient and appropriate activities at every level of the business. Amongst other things, these ensure that all staff have a sound understanding of ITIC, its objectives and the risks it faces, and are fully aware of the policy and understand their role within it.

B.4.2 Key procedures: Control activities designed to prevent, detect or mitigate are in place to address business risks, protect assets and ensure that all material control failures and issues are identified and managed.

The nature of the controls implemented and the level of control exercised are based on the assessment of frequency and impact of the risk, ITIC’s risk appetite and the cost of implementing controls relative to the significance of the risk.

Management monitoring activities include analyses and reconciliations, and the monitoring of the following indicators:

- a. Key Performance Indicators (“KPI”) covering financial performance for the period;
- b. Key Risk Indicators (“KRI”) in the form of ratios, tolerances & limits; and
- c. Key Control Indicators (“KCI”) summarise assurance results for the period.

Reviews, including reports on loss / near miss events, existing and emerging risks, and all internal and statutory audit findings are all evaluated by the ITIM board in order to implement appropriate improvement to internal control processes.

B.4.3 Review of internal control policy: Reviews are undertaken as set out throughout this policy. Unless otherwise stated, all reviews are carried out at least annually. The purpose of these reviews is to provide assurance throughout the business and to the board in relation to the effectiveness of the managers’ ongoing processes for designing, operating and monitoring the system of internal control.

B.5. Internal audit function

B.5.1 How the internal audit function is implemented: Internal Auditing is “an independent, objective assurance and advisory service designed to add value to an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.”

Internal audit is the “third line of defence” in a company’s internal control framework, established to provide independent assurance that the risk mitigation processes established by management (“first line”) and the monitoring and oversight provided by the risk management and compliance functions (“second line”) are working effectively.

The objectives of the internal audit function are to provide assurance that business risks are recognised and are being well managed and controlled by effective systems and controls through:

- a. Evaluating the functioning of the systems of internal control and all other elements of the system of governance in place for ITIC which includes:
 - policies, procedures and controls;
 - risk management;
 - management and financial information;

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- methods of safeguarding, verifying and accounting for assets; and
 - efficient use of resources.
- b. Examining and evaluating the compliance of activities compared with strategies, policies and reporting procedures;
 - c. Providing the AIR committee and the board with information and recommendations which will assist them to have in place an adequate and effective system of internal control;
 - d. Sharing recommendations of internal audit findings between other Thomas Miller managed clubs, whilst maintaining appropriate confidentiality, where they may be relevant and appropriate;

The following key principles outline the approach to internal audit and the internal audit function:

- a. to provide impartial analysis and appraisal that is independent of the operations of the business;
- b. to make recommendations for cost effective continuous improvement of internal control;
- c. to be proportionate to the nature, scale and complexity of the risks inherent in the business;
- d. to ensure compliance with applicable laws and regulations.

B.5.2 Independence: The Thomas Miller Holdings Ltd (“TMH”) internal audit function is independent from the organisational activities audited and free to exercise its assignments without impairment and on its own initiative in all areas. It is not authorised to carry out any operational work on behalf of any area of any business.

The internal audit function shall:

- a. have full authority to access any of ITIC’s records, files or data, including management information and the minutes of decision-making bodies whenever relevant for the performance of its tasks;
- b. have full authority to speak without hindrance to any member of staff in connection with the discharge of its responsibilities;
- c. be free to express its opinions and to disclose its findings and appraisals to the AIR committee;
- d. be impartial and perform its assignments with complete objectivity; and
- e. have direct and independent access to the Chairman of the AIR committee or a nominated alternate.

B.5.3 Internal Audit reports: Audits are carried out regularly and contribute to checking of controls and improvements in processes.

B.5.4 Internal Audit policy: This document is maintained by the ITIC board and is reviewed at least annually. It explains the approach to internal audit. It describes the scope and status of the internal audit function, the roles and responsibilities of the different parties involved in the high-level processes and the reporting procedures. It forms part of the governance arrangements for both ITIC and the managers. This document also describes the way in which the board and AIR committee evaluate the effectiveness of the internal audit function and the internal control policy.

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B.6. Actuarial function

ITIC's board of directors are ultimately responsible for ensuring an effective actuarial function. The actuarial function is a designated function under section 6 of Conditions Governing Business of the PRA rulebook for Solvency II firms.

ITIC's actuarial function is performed by Thomas Miller's actuarial team, led by its Chief Actuary. The actuarial function is independent of the ITIC's management team. However, for operational purposes, the actuarial function is integrated into the ITIC's internal control system, often through its role on a selection of its committees.

The ITIM board and, ultimately, the board of ITIC are responsible for ensuring an effective actuarial function, in particular that:

- a. The actuarial function is free from influences that may compromise its ability to undertake its duties in an objective, fair and independent manner.
- b. The actuarial function shall be able to communicate at its own initiative with the Board or any staff member and shall have the necessary authority, resources and expertise and ensure that it has unrestricted access to all relevant information necessary to carry out its responsibilities.

The actuarial function shall, as a minimum:

- a. coordinate and oversee the calculation of technical provisions;
- b. ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- c. assess the sufficiency and quality of the data used in the calculation of technical provisions and provide an opinion on data quality;
- d. inform the administrative, management or supervisory body of the reliability and adequacy of the calculation of technical provisions;
- e. monitor regulatory developments and assess their impact on ITIC.
- f. contribute to the effective implementation of the risk-management system, in particular with respect to:
 - i. the preparation of the Solvency and Financial Condition Report ("SFCR");
 - ii. the risk modelling underlying the calculation of the capital requirements; and
 - iii. the ORSA process.
- g. Produce the following reports:
 - i. Data opinion (for September ITIC board);
 - ii. Technical provisions opinion (for September ITIC board);
 - iii. Underwriting opinion (for December AIR committee);
 - iv. Reinsurance opinion (for December AIR committee); and
 - v. Actuarial function report (for March ITIC board) ; and
 - vi. ORSA (for March ITIC board)

In performing its duties, the actuarial function shall:

- a. carry out actuarial activities in accordance with prevailing actuarial professional guidance/technical standards;
- b. achieve the necessary level of compliance with all relevant laws and regulations;

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- c. be proportionate to the nature, scale and complexity of the strategies, structure and activities of the business and their inherent risks;
- d. maintain practical control processes that require and encourage all staff to carry out their duties and responsibilities in a manner that achieves the above objectives; and
- e. ensure that the techniques and assumptions employed are appropriate, taking into account current information, progress in actuarial science and generally accepted market practice.

The ITIC's actuarial function compiles an actuarial function report for the board of directors on an annual basis.

The actuarial function has undertaken its key responsibilities under Solvency UK. In particular it has produced the data opinion, the technical provisions opinion, underwriting opinion and reinsurance opinion.

B.7. Outsourcing

Outsourcing is an arrangement of any form whereby a service provider performs a process, service or activity, on a recurrent or ongoing basis, whether directly or subcontracted, which would otherwise be performed by ITIC. However, as some non-outsourcing third party arrangement may also be material in the context of ITIC's operations and objectives, and also the objectives of ITIC's regulators, this policy covers how the potential risks presented by all third-party suppliers to ITIC are managed, whether a supplier relationship is deemed to be outsourcing or not.

B.7.1. Material business activities

Material business activities include the key functions of ITIC's system of governance, i.e. risk management, compliance, actuarial and internal audit as applicable, and all functions or activities that are fundamental to enable it to carry out its core business, including underwriting, claims handling, accounting, IT and investments. A material business activity is one that has the potential, if disrupted, to have a significant impact on ITIC's business operations or its ability to manage risks effectively, having regard to such factors as:

- a. the financial and operational impact and impact on reputation of a failure of the service provider to perform over a given period of time;
- b. the degree of difficulty in finding an alternative service provider or bringing the business activity in-house;
- c. the ability of ITIC to meet its regulatory requirements (including for ITIC Solo the PRA's Fundamental Rules and the FCA's Threshold Conditions) if there are problems with the service provider;
- d. potential losses to ITIC's members and other affected parties;
- e. the service provider performing an entire regulated activity or key function; and
- f. the relationship between ITIC and the service provider.

ITIC's management is wholly outsourced under a management agreement to its managers, the Thomas Miller Holdings Limited group of companies ("Thomas Miller"), of which its subsidiary, International Transport Intermediaries Management Company Limited ("ITIM") is

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ITIC Solo's appointed representative. The role of the appointed representative is undertaken by the CEO of ITIM acting as an executive director of ITIC Solo, and the CFO of ITIM is also a director of ITIC Solo. Thomas Miller Cyprus Insurance Agency Ltd (“TMCIA”) also provides actuarial, and other support to ITIC Europe. The managers' duties under the management agreement may be delegated by them, in particular but not exclusively, to other companies within Thomas Miller while retaining full responsibility under the management agreement.

In addition to this main function, investment management and internal audit are also subject to outsourcing arrangements.

With respect to the three keys areas of outsourcing identified:

- a. Management outsourcing. In order to comply with applicable regulatory obligations, the board has developed monitoring and reporting procedures and the audit committee monitors, among other things, internal controls and risk. The risk control and reporting procedures to be followed by the managers form part of their obligations under the management agreement.
- b. Investment management outsourcing. Management of ITIC's investments is outsourced to Thomas Miller Investment Limited, part of Thomas Miller, under an investment management agreement. The performance of the investment managers is monitored and supervised by the board and the audit committee of the board.
- c. Internal audit outsourcing. ITIC's internal audit function is outsourced to Thomas Miller Internal Audit, under a services agreement. Internal audit is supervised by the audit committee and the boards.

B.8. Any other information

ITIC considers no other information material to be disclosed.

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C. Risk profile

ITIC has identified its meaningful risks and considers that its risk universe comprises the list below. These exposures could threaten ITIC's viability, materially impact asset values or result in material underperformance.

- a. Strategic risks: exposures arising from inadequate or ineffective strategy formulation as well as the risk of ineffective execution;
- b. Underwriting and reserving risks;
- c. Concentration risks: exposures from being a mono-line insurer in a specialist area;
- d. Reputational risks;
- e. Financial risks: encompassing liquidity, credit, reinsurance, investment and asset liability management risks;
- f. Operational risks: exposures arising in day-to-day business activities and include organisational risks which take in the potential of having ineffective or insufficient leadership as well as the quality of talent and effectiveness of human resource systems such as development, compensation and performance management;
- g. Compliance risks; and
- h. External risks: exposures the enterprise cannot control.

Each risk identified in ITIC's business risk assessments is linked to one of the above.

The risk universe helps shape the ITIC board agenda tasks management to undertake initiatives to reduce exposures and improve performance. This is summarised in ITIC's risk management policy and works alongside the ITIC rolling business plan.

The following considerations of each type of risk are largely summarised from the financial statements for the year ended 31st May 2026.

C.1. Underwriting risk

Underwriting risk is the risk that ITIC's net insurance obligations (i.e. claims less premiums) are different to expectations. ITIC considers the risk of existing obligations (reserve risk) separately to the risk of future obligations (premium risk).

Reserve risk is managed by ITIC's reserving policy. ITIC establishes provisions for unpaid reported claims and relating expenses to cover its expected liability. These provisions are established through the application of actuarial techniques and assumptions as set out in ... the financial statements as directed and reviewed by the Audit Investment & Risk Committee. In order to minimise the risk of understating these provisions, the assumptions made and actuarial techniques employed are reviewed in detail by senior members of the managers and ITIC's Audit Investment & Risk Committee.

Premium risk is managed by the underwriting policy which establishes robust underwriting practices in order to meet business needs and satisfy regulatory control. These are supplemented with a robust forecasting approach undertaken as part of ITIC's ORSA process.

ITIC's exposure to insurance risk is initiated by the underwriting process and incorporates the possibility that an insured event occurs, leading to a claim on ITIC from a member. The risk is managed by the underwriting process, acquisition of the reinsurance cover, and the management of claims costs.

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ITIC's main insurance risks can arise from:

- a. Inappropriate underwriting of risks;
- b. Prohibitive cost / unavailability of reinsurance;
- c. Failure to react to major increase in claims;
- d. Impact of new legislation on risks written; and
- e. Over reliance on significant premium payers.

The objective of ITIC's insurance risk management process is to establish effective underwriting, reinsurance and reserving strategies which are agreed and monitored by ITIC's board in accordance with its risk appetite statement.

ITIC establishes provisions for unpaid claims and related expenses to cover its expected liability. These provisions are established through the application of actuarial techniques and assumptions. In order to minimise the risk of understating these provisions, the assumptions made and actuarial techniques employed are reviewed in detail by management.

ITIC considers that the liability for insurance claims recognised in the balance sheet is adequate. However, actual experience will differ from the expected outcome and this is monitored in ITIC's Key Risk Indicators which are reported to the board and Audit Investment & Risk Committee at their meetings.

The results of sensitivity testing are set out below, showing the impact on the surplus before tax, gross and net of reinsurance. The impact of the change in a single factor is shown, with the other assumptions unchanged. The sensitivity was chosen because the loss ratio is a key performance indicator of the business. The analysis assumes that a change in loss ratio (claims including management fee element as a percentage of earned premium less continuity credit less acquisition costs) is driven by the change in claims incurred. The 5% assumption for sensitivity is chosen to demonstrate a typical level of swing that might be experienced.

	2026	2025
	US\$	US\$
	000s	000s
Increase in loss ratio (see definition below) by 5 percentage points from 49% to 54% (2025 - 46% to 51%)		
Based on gross premium net of acquisition costs and excess of loss reinsurance costs	(3,072)	(2,927)
Based on gross premium net of acquisition costs and all reinsurances	(307)	(293)
A 5 per cent decrease in loss ratios would have an equal and opposite effect.		

C.2. Market risk

Market risk arises through fluctuations in interest rates, corporate bond spreads and foreign currency exchange rates. Such movements will affect not only the ITIC's investments, but also the value of other assets and liabilities such as premium income, claims payments and reinsurance recoveries.

Interest rate risk arises primarily from investments in fixed interest securities. In addition, to the extent that claims inflation is correlated to interest rate, liabilities to policyholders are exposed to interest rate risk.

The sensitivity analysis for interest rate risk illustrates how the fair value of a financial instrument will fluctuate because of changes in market interest rates at the reporting date. ITIC's fixed income portfolio currently has a modified duration of about 3.7 years. This means

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that in the event of a parallel shift of the yield curve up by 100 basis points, the portfolio's value will decline, resulting in approximately 3.7% loss on the fixed income portfolio.

For ITIC, this would result in a decrease in investment values of approximately US\$1,047,000 (2025: US\$1,392,000) if all other assumptions remain unchanged

A decrease of 100 basis points in bond yields would result in the opposite effect (i.e. increase in investment values of approximately equal magnitude) assuming all other assumptions remain unchanged.

A list of assets and derivatives may be found in S.06.02 and S.08.02 as reported to the PRA under ITIC's annual regulatory reporting requirement. This list is not included within the SFCR. With the exception of operational cash funds, these assets are subject to ITIC's investment policy and mandate and as a result the prudent person principle.

C.2.1 The prudent person principle

All of ITIC's investments are invested and managed in accordance with the 'prudent person principle', meaning that duties of the investment managers must be discharged with the care, skill, prudence and diligence.

C.3. Credit risk

Credit risk is the risk a counterparty will be unable to pay the amounts in full when due. The main areas where ITIC is exposed to credit risk are:

- a. Reinsurers' share of insurance liabilities;
- b. Amounts due from reinsurers in respect of claims already paid;
- c. Amounts due from policyholders;
- d. Amounts due from insurance intermediaries;
- e. Amounts due from bond issuers;
- f. Cash at banks and deposits with credit institutions; and
- g. Counterparty risk with respect to derivative transactions.

Reinsurance is used to manage insurance risk. This does not, however, discharge ITIC's liability as primary insurer. If a reinsurer fails to pay a claim, ITIC remains liable for the payment to the policyholder.

Credit risk on reinsurance balances is mitigated by assessing the creditworthiness of the reinsurer before it is used and strict criteria are applied (including rating the financial strength of the reinsurer) before a reinsurer is approved. All excess of loss reinsurance contracts are subject to an A- or above rating. ITIC and ITIC Europe's quota share reinsurance agreements are placed with TIMIA. TIMIA is unrated but ITIC holds a fixed charge of US\$46,551,000, and ITIC Europe holds a fixed charge of US\$27,357,000 both secured on the TIMIA investments portfolio. This fixed charge security, together with TIMIA's net asset value of US\$255,019,000 as at 31st May 2026, provides satisfactory mitigation comfort over the credit risk exposure arising from the remaining portion of the claims recovery quota share which is unsecured.

Debtors arising out of direct insurance operations comprise premium owed by the members of ITIC. Credit risk relating to this risk is managed through take on procedures for the assured. Furthermore, if the assured does not pay, then cover may be cancelled back to inception.

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Counterparty limits based on the credit ratings are also in place in relation to the amounts due from bond issuers and cash and bank deposits.

The following table provides information regarding aggregated credit risk exposure for financial assets with external credit ratings as at 31st May 2026. The credit rating bands are provided by independent ratings agencies:

	AAA	AA	A	BBB+ or less or not rated	Total
	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s
2026					
Fixed interest - Government	5,897	25,668	-	-	31,565
Fixed interest - Corporate	-	7,899	-	-	7,899
Forward Contracts	-	(1)	-	-	(1)
UCITS	4,127	-	-	-	4,127
Claims recoveries excess of loss reinsurance	-	-	10,600	-	10,600
Claims recoveries quota share reinsurance	-	-	-	81,395	81,395
Cash	-	-	14,633	-	14,633
Arising from insurance and reinsurance operations	-	-	-	32,612	32,612
Total	10,024	33,566	25,233	114,007	182,830

	AAA	AA	A	BBB+ or less or not rated	Total
	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s
2025					
Fixed interest - Government	4,993	29,168	-	-	34,161
Fixed interest - Corporate	-	9,582	-	-	9,582
Forward Contracts	-	(9)	-	-	(9)
UCITS	8,457	-	-	-	8,457
Claims recoveries excess of loss reinsurance	-	-	13,664	-	13,664
Claims recoveries quota share reinsurance	-	-	-	71,252	71,252
Cash	-	-	11,552	-	11,552
Arising from insurance and reinsurance operations	-	-	-	22,425	22,425
Total	13,450	38,741	25,216	93,677	171,084

After assessing all other financial assets at the end of the year, no objective evidence was found to suggest that any were impaired (2025: no impairments).

C.4. Liquidity risk

Liquidity and cash flow risk is the risk that cash may not be available at a reasonable cost to pay obligations as they fall due. ITIC maintains holdings in short term deposits to ensure there are sufficient funds available to cover anticipated liabilities and unexpected levels of demand. As at 31 May 2026 ITIC's short term deposits amounted to US\$14,633,000 (2025: US\$11,552,000). The tables below provide a maturity analysis of ITIC's financial instruments which may be varied at the discretion of the investment manager. The assets in the below tables are not impaired due to the fact that their full value are deemed to be recoverable.

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	Less than 6 months or on demand	6 months - 1 year	1 - 2 years	2-5 years	> 5 years	Carrying value in the balance sheet
	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s
2026						
Debt securities	15,260	-	7,899	6,427	14,005	43,591
Forward Contracts	(1)	-	-	-	-	(1)
Reinsurers share of technical provisions - unearned premiums	-	-	-	-	-	-
Reinsurers share of technical provisions - claims outstanding	18,986	16,682	21,689	26,216	8,421	91,994
Debtors arising out of direct insurance operations	16,671	11,898	1,345	-	-	29,914
Debtors arising out of reinsurance operations	2,698	-	-	-	-	2,698
Other debtors	677	-	-	-	-	677
Cash and cash equivalents	14,633	-	-	-	-	14,633
Technical provisions - claims outstanding	(20,681)	(18,171)	(23,625)	(28,556)	(9,173)	(100,206)
Creditors	(3,275)	-	-	-	-	(3,275)
Technical provisions - unearned premiums	-	-	-	-	-	-
Creditors arising from reinsurance operations	(2,117)	(1,282)	(1,667)	(2,015)	(647)	(7,728)
Total	42,851	9,127	5,641	2,072	12,606	72,297

	Less than 6 months or on demand	6 months - 1 year	1 - 2 years	2-5 years	> 5 years	Carrying value in the balance sheet
	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s
2025						
Debt securities	8,456	12,723	-	21,971	9,050	52,200
Forward Contracts	(9)	-	-	-	-	(9)
Reinsurers share of technical provisions - claims outstanding	16,120	13,523	18,400	24,422	12,451	84,916
Debtors arising out of direct insurance operations	12,602	8,179	1,332	-	-	22,113
Debtors arising out of reinsurance operations	28	-	-	-	-	28
Other debtors	347	-	-	-	-	347
Cash and cash equivalents	11,552	-	-	-	-	11,552
Technical provisions - claims outstanding	(17,475)	(14,661)	(19,946)	(26,475)	(13,498)	(92,055)
Creditors	(2,073)	-	-	-	-	(2,073)
Creditors arising from reinsurance operations	(686)	(7,080)	-	-	(4,119)	(11,885)
Total	28,862	12,684	(214)	19,918	3,884	65,134

C.4.1 Reliance on expected future profit: As ITIC is a mutual insurer, it does not aim to make “profit” from its activities. However, surpluses or deficits may arise in the course of its operations due to actual experience being different to expectations. Given the holding in liquid assets, ITIC does not rely on expected future surpluses to ensure its liquidity.

ITIC’s Solvency UK balance sheet as at 31st May 2026 recognises expected future premium from members in its technical provisions in respect of outstanding premium income for business already bound at the balance sheet date.

C.5. Operational risk

Operational risks are the risks of monetary or other losses arising from failed or inadequate processes, people, systems or external events. ITIC creates a framework of policies, procedures and controls to minimise the potential for these events.

ITIC creates a framework of policies, procedures and controls to minimise losses from these mistakes. Procedure manuals are maintained on the EQMS.

ITIC accepts that on occasion, operational loss events can occur, but there should be control mechanisms in place to reduce the likelihood and ensure that the same mistake is not made twice.

All events that lead to a loss greater than US\$10,000 are recorded in the Operational Risk Database. Near misses with the potential to lose more than the same amount are also recorded. Summaries are provided in the KCIs and lessons should be learned from them.

This is detailed further in the risk management policy.

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C.6. Other material risks

The group has not identified any other material risks that it considers should be disclosed.

C.7. Stress and scenario testing

ITIC carries out stress and scenario testing as part of its risk management and ORSA process. For management purposes stress and scenario testing are carried out on a pre-quota share basis by combining the group with its parallel quota reinsurer TIMIA.

The base case business plan forecast for the next three years is used as the starting point for scenario testing. The impacts of adverse scenarios are then evaluated.

A key part of validating the internal model used for ORSA purposes is to test the reasonableness of the outputs. To provide an independent test, the managers consider scenarios for each risk and attribute a likelihood of occurrence to the scenario. These scenarios are then compared to the internal model outputs to determine whether the internal model captures the range of scenarios adequately.

Given that market risk makes up over half of ITIC's OSNA, scenarios have been considered specifically for this risk. These are compared with the internal model outputs. The managers have not considered it necessary at this stage to consider specific, additional scenarios for validation of the other risks beyond those noted earlier in the medium term forecasting and also in the reverse stress testing. Further scenarios may be considered for these risks in the future if the Managers feel it is appropriate to do so.

The following scenarios are included in ITIC's latest ORSA and assessed against ITIC's risk corridor:

- a. A very soft market and net lost business;
- b. Soft market (competition & capacity), higher claims inflation and deterioration in back years;
- c. High inflation scenario; and
- d. Climate change scenario.

The management team also considered:

- a. Loss of key members of the management team (say four at once)
- b. Loss of operational performance following known imminent changes in the non-executive board of directors
- c. Lack of reinsurance available in the market place
- d. A major insurance broker decides to not place business with ITIC
- e. Change in the insurance market
- f. Mergers
- g. Decision to give excessive amounts of funds back to members via continuity credit
- h. Stressed departure by ITIC from managers
- i. Conduct Risk

The financial impact of climate change risks has been considered for ITIC with the output of scenario analysis included in the ORSA. The assessment of climate risks continues to evolve and related regulations are being closely monitored to determine if, and to what extent, they could impact ITIC's future exposure. Overall, it has been concluded that ITIC's exposure to climate change risks is not significant.

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The investment managers’ quantitative risk consultants, Redington, also considered a series of market risk scenarios. Given that market risk makes up over half ITIC’s Own Solvency Needs Assessment (“OSNA”), scenarios have been considered specifically for this risk. These are compared with the model outputs. The managers have not considered it necessary at this stage to consider specific, additional scenarios for validation of the other risks beyond those were consider in the medium-term forecasting and also in the reverse stress testing. Further scenarios may be considered for these risks in the future if felt appropriate.

Furthermore, ITIC undertook reverse stress testing considering:

- a. Severe Economic Collapse;
- b. Gap in reinsurance cover;
- c. Shipping Market Collapse; and
- d. “Super” reverse stress test

The results of the various tests were incorporated into the ORSA and referred to in its executive summary. ITIC is expected to continue to meet its overall capital risk appetite over the medium term on its base case assumptions. None of the alternative adverse planning scenarios indicate that there is a chance that the risk appetite could be breached under extreme scenarios. The “super” reverse stress test showed that ITIC’s eligible own funds could drop to close to the SCR. However, the SCR, itself a form of stress test, shows that ITIC can maintain its solvency over a one year period with 99.5% certainty.

ITIC addresses other risks namely political (including change to UK tax agreement) and climate change risk. ITIC considers how these could impact the financial risks and insurance risk exposures via its emerging risks log as well as via the climate change policy and plan. ITIC also considers fraud risks (including misappropriation of investment funds) and this is managed through the fraud risks register. ITIC currently has a climate change policy and plan to address the relevant environmental, social and governance requirements and this continues to be refined. ITIC has put in place a policy to assist in managing the financial risks associated with the effects of climate change and to ensure that ITIC has adequate oversight and control of this area and understands how climate change relates to other risk groups. The financial risks emanating from climate change can impact other risk groups, specifically the strategy, insurance, credit and market risk areas. Financial risks from climate change arise through two primary channels, being physical and transition factors. In addition, liability can arise from third parties who have suffered loss or damage from physical or transition risk factors associated with climate change.

C.8. Any other information

ITIC has not identified any other material information that it considers should be disclosed.

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A basic principle of Solvency UK is that assets and liabilities are valued on the basis of their economic value. This is the price which an independent party would pay or receive for acquiring the assets or liabilities. The value of the assets less the value of the liabilities is then taken as the starting point for determining the available own funds.

Materially all of the valuation differences between the Solvency UK balance sheet and the current accounting balance sheet relate to the valuation of insurance liabilities (“technical provisions”) which is further discussed in D.2 – Technical Provisions. ITIC prepares its financial statements under UK GAAP including FRS 102 and 103.

The Solvency UK balance sheet is presented in appendix S.02.01.02.

D.1. Assets

	Solvency II	UKGAAP	Solvency II	UKGAAP
	31/05/2026	31/05/2026	31/05/2025	31/05/2025
	US\$000s	US\$000s	US\$000s	US\$000s
Deferred Acquisition costs	-	804	-	694
Financial investments and derivatives	43,877	43,877	52,697	52,697
Reinsurers' share of technical provisions	97,918	134,349	87,153	124,830
Insurance and intermediaries receivables	3,268	29,914	2,028	22,397
Reinsurance receivables	20,762	2,698	9,877	46
Receivables, trade not insurance	440	440	319	319
Cash and cash equivalents	14,633	14,633	11,552	11,548
Any other assets, not elsewhere shown	236	236	29	29
Total	181,134	226,950	163,654	212,560

The above table shows amounts at Solvency UK and UK GAAP valuation bases respectively. For classification purposes, the Solvency UK classification of amounts has been used. UK GAAP assets shown above US\$227.0m (2025: US\$212.6m), less UK GAAP liabilities detailed in D.3 of US\$161.3m (2025: US\$152.6m), equal US\$65.7m (2025: US\$60.0m) of retained income and expenditure reserves at 31st May 2026 as per the amount shown in the statutory accounts. The breakdown between assets above and liabilities is different to the financial statements, largely because ‘Deferred Acquisition Costs’ being presented net for the purposes of Solvency UK in addition to differing valuation bases used for Technical Provisions under GAAP and Solvency UK bases.

ITIC’s assets are valued using the following principles. These principles highlight where there are adjustments between GAAP accounting and Solvency UK accounting.

D.1.1 Financial Investments: Investments are carried at market value. Market value is calculated at the close of business on the balance sheet date. The market value of foreign currency investments is translated at the rate of exchange ruling at the balance sheet date.

Fair values of investments traded in active markets are measured at bid price. Where there is no active market, fair value is measured by reference to other factors such as independent valuation reports.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis. If the above criteria are not met, the market is regarded as being inactive.

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There are no material differences between the valuation used for solvency purposes and the valuation used in ITIC's financial statements.

D.1.2 Derivatives – forward currency contracts: Further detail on ITIC’s valuation policy for derivatives may be found in D.3.1.

D.1.3 Reinsurer’s share of technical provisions: Reinsurer’s share of technical provisions is treated consistently to gross technical provisions. Technical provisions are further discussed in D.2.

D.1.4 Reinsurance receivables: This balance includes amounts recoverable from excess of loss reinsurance contracts in respect of claims payments made and covered by these contracts. Due to the short-term nature of these items, the carrying amount is considered to be a suitable proxy for its fair value.

D.1.5 Receivables, trade not insurance: This balance includes sundry, short term receivable balances the value and settlement of which contains little to no uncertainty. Due to the short-term nature of these items, the carrying amount is considered to be a suitable proxy for its fair value.

There are no material differences between the valuation used for solvency purposes and the valuation used in ITIC's financial statements.

D.1.6 Insurance and intermediaries’ receivables: These represent balances that are due for existing insurance contracts. Due to the short term nature of these balances, the carrying amount is considered to be a suitable proxy for its fair value. These amounts are reviewed annually for impairment.

When these amounts are not yet due, they are included as a future cash flow in the calculation of technical provisions for Solvency UK purposes as further detailed in D.2. This is materially different to statutory account requirements which require these balances to be presented separately on the face of the balance sheet whether they are due or not yet due.

D.1.7 Cash and cash equivalents: Cash and cash equivalents include cash at bank or in hand, deposits held at call with banks and other short term highly liquid investments. The carrying value of these balances is considered to be a suitable proxy for fair value.

There are no material differences between the valuation used for solvency purposes and the valuation used in ITIC's financial statements.

D.1.8 Any other assets, not elsewhere shown: This balance represents sundry receivables. Due to its short term nature the carrying amount equals its fair value.

D.2. Technical provisions

Net technical provisions as at 31st May 2026 are shown below.

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	31/05/2026 US\$000s	31/05/2025 US\$000s
Gross best estimate	100,732	87,660
Risk Margin	606	536
	101,339	88,196
Reinsurance best estimate	(97,918)	(87,153)
Net technical provisions	3,420	1,043

Refer to Appendices S.17.01.02 and S.19.01.21 for further details on technical provisions.

ITIC’s technical provisions are valued using the following principles. These principles highlight where there are adjustments between GAAP accounting and Solvency UK accounting.

D.2.1 Bases, methods and main assumptions

The technical provisions are valued using the methodology prescribed by the Solvency UK Directive and associated regulations. They consist of a “best estimate” of future cash flows (claims, premiums and expenses), which are discounted in line with risk-free interest rates to give the “present value” of those cash flows. Finally, a (market value) “risk margin” is added to take the total to a notional market value (i.e. equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligations).

D.2.2 Claims: As ITIC only covers general liabilities, all claims are analysed together in one risk group. Standard actuarial techniques are used to project these cash flows including chain ladder and Bornhuetter-Ferguson methods. The key assumptions related to the initial expected claims cost for each policy year and the projected notified claims development pattern. These methods are considered appropriate given the longevity and stability of ITIC and its claims handling processes.

Allowance is made for claims on contracts bound, but for which coverage has not yet inceptioned (corresponding to the premium provision). These are valued using an inflation assumption applied to the previous year ultimate.

The future claims cash flows are the most uncertain element of the technical provisions. The uncertainty involved was further discussed in Section C1 on Underwriting Risk.

D.2.3 Premiums: The premium cash flows in the technical provisions cover:

- i. the outstanding instalments of premium on expired business that are payable but not yet due on the valuation date (corresponding to the provision for claims outstanding); and
- ii. the premium payable but not yet due on bound but not inceptioned business (corresponding to the premium provision).

D.2.4 Expenses: The technical provisions include expense cash flows incurred in servicing insurance obligations. This includes both direct and overhead expenses, as well as investment management expenses. The provision is calculated directly in respect of the provision for claims outstanding (for expired business) and a corresponding amount is derived in respect of the premium provision (for bound but not inceptioned and unexpired business).

D.2.5 Risk margin: The risk margin is calculated based on the requirement to hold capital to meet the SCR until all claims liabilities are settled and a prescribed cost-of-capital rate of 4% per annum. This calculation is based on the assumption that a “reference undertaking”

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takes on the insurance obligations (and associated reinsurance arrangements). The SCR in this context is made up of underwriting risk, counterparty default risk and operational risk only; assets are assumed to be invested in such a way that market risk will be zero and the referencing undertaking does not take on any new insurance obligations. The SCRs in future time periods have been assumed to be directly proportional to the best estimate claims liabilities net of reinsurance recoverables at those points in time.

D.2.6 Reinsurance recoverables: This relates to ITIC’s expected reinsurance recoverables from its reinsurance arrangements at the valuation date. It is made up of two elements: reinsurance payments and reinsurance premiums. These are valued on a consistent basis with the corresponding claims and premiums elements of the technical provisions. In addition, an adjustment is made to take account of expected losses due to default of the reinsurance counterparties. See also the note on ITIC Solo’s fixed charge on TIMIA investments, and ITIC Europe’s fixed charge on TIMIA investments (section C.3); these assets were valued at US\$46.6m and US\$27.4m respectively at 31st May 2026.

D.2.7 Sources of uncertainty: The estimation of the ultimate liability arising from claims made under insurance contracts is ITIC’s most critical estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that ITIC will ultimately pay for such claims. Estimates are made for the expected ultimate cost of reported claims at the end of the reporting period. The estimate of incurred but not enough reserved (“IBNER”) is generally subject to a greater degree of uncertainty. In calculating the estimated liability, ITIC uses a variety of estimation techniques based upon statistical analyses of historical experience which assumes past trends can be used to project future developments.

In particular, the following represents the main sources of uncertainty that may impact the outcome of ITIC’s technical provisions:

- Certain claims may turn out to be significantly longer, or shorter tailed than the whole book leading to an over / underestimation of claims reserves. There is also an uncertainty around numbers and average cost of these claims.
- There is potential for IBNER to deteriorate to a greater extent than allowed for in the projections.
- New and unexpected claims types could impact the reserving methodology. This is partly allowed for in ITIC’s provision for Events not in Data.
- Uncertainty surrounding the development and cash flow patterns may impact the outcome of ITIC’s technical provisions.
- Currency and exchange rates are inherently uncertain and may impact the outcome of the final technical provisions amount.

D.2.8 Differences between GAAP and Solvency UK technical provisions

A reconciliation of UK GAAP technical provisions to Solvency UK technical provisions is shown in the table below:

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	Notes	31/05/2026 Gross US\$000s	31/05/2026 Reinsurance US\$000s	31/05/2026 Net US\$000s	31/05/2025 Gross US\$000s	31/05/2025 Reinsurance US\$000s	31/05/2025 Net US\$000s
UK GAAP technical provisions		147,265	134,349	12,917	136,404	124,830	11,574
Eliminate UPR reserve	1	(47,059)	(42,353)	(4,706)	(44,349)	(39,913)	(4,435)
Eliminate margin	2	(10,233)	(9,210)	(1,023)	(10,274)	(9,247)	(1,027)
Reallocate premiums not yet due		-	(66)	66	-	(679)	679
Adjustment to expense reserve	3	3,730	3,730	-	2,326	2,326	-
Unexpired and BBNI contract cash flows	4	15,326	19,320	(3,994)	13,422	19,201	(5,779)
Reinsurance counterparty default adjustment	5	-	(6)	6	-	(10)	10
Effects of discounting	6	(9,946)	(9,405)	(541)	(11,552)	(10,946)	(607)
ENID adjustment	7	1,649	1,560	90	1,683	1,591	92
Solvency II risk margin	2	606	-	606	536	-	536
Total Solvency II technical provisions		101,339	97,918	3,420	88,196	87,153	1,043

Notes

1. Unearned premium. The Solvency UK balance sheet contains no concept of deferral of premium, and as such any such balances are eliminated upon transition to the Solvency UK balance sheet. These balances are replaced by a provision for future cash flows expected on unexpired business.

2. Contingency margin and Solvency UK risk margin: Since the Solvency UK technical provisions figure is a best estimate, margins for prudence are removed under the Solvency UK valuation methodology. This is replaced by an explicit Solvency UK risk margin which is intended to represent a notional market value adjustment as discussed above. This is calculated on a prescribed “cost of capital” approach, based on the idea of a market insurer taking over ITIC’s insurance liabilities having to raise capital to meet its own regulatory capital requirements over the run-off of the liabilities following the transfer.

3. Adjustment to expense reserve: When calculating the Solvency UK best estimate, a provision is made for all expense cash flows incurred in servicing insurance obligations. This includes both direct and overhead expenses, as well as investment management expenses.

4. Provision for cash flows on unexpired contracts and contracts bound but not incepted: Solvency UK valuation methodology requires an insurer to estimate the cash flows on future coverage that the insurer will provide. This includes the unexpired portion of existing contracts and contracts that have been bound, but for which coverage has not yet incepted. These contracts are to be recognised when the insurer becomes party to the contract which is usually when the contract between undertaking and policyholder is legally formalised. All of these amounts are recognised under premium provisions and include unexpired amounts not yet due previously recognised on the UK GAAP balance sheet as debtors or creditors. It should be noted that the cash flow movements determined in relation to the excess of loss reinsurance cost on bound but not incepted premium has been calculated as a percentage of premium. This approach is considered to be in line with the regulatory guidance for reinsurance cash outflows.

5. Reinsurance counterparty default adjustment: Amounts recoverable from reinsurance counterparties must be adjusted for expected losses due to counterparty default for the Solvency UK balance sheet. This adjustment approximates the expected present value of the losses in the event of default, weighted by the probability of default for each counter party. Under UK GAAP accounting a provision for bad debts is only made where there is objective evidence that a counter party may default on its obligation.

6. Effects of discounting: Since Solvency UK technical provisions take into account the time value of money, an adjustment is made for the discounting of all future cash flows based on

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risk-free interest rates. Under UK GAAP accounting, insurance liabilities and reinsurance recoveries are shown as undiscounted figures.

7. ENID adjustment: Solvency UK requires that all possible outcomes are allowed for when setting the technical provisions. Therefore, an additional provision needs to be made for “events not in data”, i.e. potential adverse claims outcomes that have not been observed to date and hence are not taken into account in assessing the claims provisions.

8. Future reinsurance recoverables: Within ITIC’s financial statements, allowance is made for future reinsurance recoverables. For the purposes of the Solvency UK balance sheet, this is derived from the gross claims reserves set as part of the reserve review.

9. Adjustment to expense provision: Unlike UK GAAP, Solvency UK recognises all expense cash flows incurred in serving insurance obligations. This includes both direct and overhead expenses, as well as investment management expenses. As such, an adjustment is made.

10. Future management actions: There are no significant management action assumptions used in the valuation of ITIC’s assets, technical provisions and other liabilities.

11. Policyholder behaviour assumptions: There are no significant policyholder behaviour assumptions used in the valuation of ITIC’s assets, technical provisions and other liabilities.

D.3. Other liabilities

Valuation of ITIC’s other liabilities as at 31st May 2026.

	Solvency II 31/05/2026 US\$000s	UKGAAP 31/05/2026 US\$000s	Solvency II 31/05/2025 US\$000s	UKGAAP 31/05/2025 US\$000s
Technical provisions	101,339	147,265	88,196	136,404
Derivatives	1	1	9	9
Insurance and intermediaries payables	47	47	107	107
Reinsurance payables	1,746	7,729	3,316	11,885
Payables, trade not insurance	6,234	6,234	4,165	4,165
Total	109,366	161,276	95,792	152,569

The above table presents amounts at Solvency UK and UK GAAP valuation bases respectively. For classification purposes the Solvency UK classification of amounts has been used.

D.3.1 Derivatives: Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of foreign exchange forward contracts is based on current forward exchange rates.

There are no material differences between the valuation used for solvency purposes and the valuation used in ITIC’s financial statements.

D.3.2 Technical provisions: Further detail on ITIC’s valuation policy for technical provisions may be found in D.2.

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D.3.3 Reinsurance payables: These represent balances that are due to be paid for existing reinsurance contracts. When these amounts are not yet due to be paid, they are included as a future cash flow in the calculation of reinsurance technical provisions.

Under statutory accounting requirements, these balances are presented separately on the face of the balance sheet whether they are due or not yet due.

D.3.4 Insurance & Intermediaries payables: These represent balances payable on insurance contracts. Due to the short-term nature of these balances, its carrying amount is considered a suitable proxy for fair value. There is no difference between the valuation for solvency purposes and the valuation used in ITIC’s financial statements.

D.3.5 Payables, trade not insurance: These balances include sundry, short term payable balances the value and settlement of which contains little to no uncertainty. Due to the short-term nature of these items, the carrying amount is considered to be a suitable proxy for its fair value. There are no material differences between the valuation used for solvency purposes and the valuation used in ITIC’s financial statements.

D.4. Alternative methods of valuation

ITIC does not utilise any alternative methods of valuation.

D.5. Any other information

ITIC has not identified any other information that it considers material to be disclosed.

International Transport Intermediaries Club Limited (“ITIC”)

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E. Capital Management

Basic own funds of the businesses comprise the excess of assets over liabilities. They can also comprise subordinated liabilities but ITIC does not have any of these.

Ancillary own funds consist of items other than basic own funds which could be called upon to provide additional capital. These may comprise the following:

- a. Letters of credit or guarantees;
- b. Unpaid share capital or initial funds that has not been called up;
- c. Any other legally binding commitments received by insurance and reinsurance undertakings; and
- d. Supplementary premium.

These have **NOT** been considered in assessing the solvency of ITIC within the Solvency UK process.

In order, to be able to recognise ITIC’s ability to recover quota share reinsurance balances from its unrated parallel mutual, TIMIA, ITIC Solo and ITIC Europe maintain a fixed charge over a portfolio of investments held by TIMIA. The value of these investments are currently valued at US\$46.6m and US\$27.4m at 31st May 2026 (2025 – US\$44.8m and US\$26.4).

Capital management encompasses the monitoring and measurement of the own-funds which maintain the solvency of the business. ITIC maintains a policy which sets out the principles used behind ITIC’s approach to capital management. These principles cover: classification, monitoring, encumbrances, arrangements, contractual terms, return of capital and the impact of stress scenarios.

The policy also includes the Medium-term Capital Management plan which sets out the options which are used to maintain sufficient levels of capital in the business. These options include decisions on:

- a. The terms for the underwriting for the new club year;
- b. The level of continuity credit for the forthcoming club year for one and two-year deals;
- c. The reinsurance program to be decided on for the new club year;
- d. The approach towards targeting new business and non-renewing other business;
- e. Reviewing and agreeing the approach for any cases requiring consideration;
- f. Agreeing the financial statements and regulatory returns including the agreement of the appropriate level for claims provisions;
- g. Deciding on the appropriate investment mandate for ITIC.
- h. Monitoring the investment portfolio for liquidity as well as asset maturity profile; and
- i. Reviewing and approving the ORSA report and any projections contained therein.

International Transport Intermediaries Club Limited ("ITIC")**Solvency and Financial Condition Report ("SFCR") for the year ended 31st May 2026****E.1 Own funds**

All amounts are as at 31st May 2026 and presented in thousands of US Dollars unless otherwise stated:

	31/05/2026 US\$000s	31/05/2025 US\$000s
SCR ratio	578%	498%
SCR	12,417	13,639
Eligible own funds	<u>71,768</u>	<u>67,862</u>
Excess	59,351	54,222
MCR Ratio	514%	748%
MCR	13,963	9,073
Eligible own funds	<u>71,768</u>	<u>67,862</u>
Excess	57,805	58,789
Total Tier 1 Basic own funds	<u>71,768</u>	<u>67,862</u>

Further information on ITIC's own funds may be found in appendix S.23.01.

As a mutual insurer with no share capital ITIC's capital structure consists of an accumulated income and expenditure account reserve and reconciliation reserve, which falls under Tier 1 and counts as Basic Own Funds ("BOF"). These funds may be fully utilised to meet both the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR").

Tier 1 BOF contains no significant restrictions affecting the availability and December these own funds.

E.1.1 Material differences between equity as shown in the financial statements and the excess of assets over liabilities

This table represents a reconciliation of UK GAAP capital reserves to Solvency UK capital reserves.

	Notes	31/05/2026 US\$000s	31/05/2025 US\$000s
UK GAAP reserves		65,675	59,994
Solvency II gross technical provisions adjustment		45,926	48,208
Of which reallocation of amounts not yet due	1	(2,689)	(3,240)
Solvency II reinsurance technical provisions adjustment		(36,430)	(37,677)
Of which reallocation of amounts not yet due	1	2,486	2,984
Elimination of deferred acquisition cost - gross	2	(8,044)	(6,943)
Elimination of deferred acquisition costs - reinsurance	2	7,240	6,248
Application of Solvency II boundary (net)	3	(2,396)	(1,713)
Total Solvency II basic own funds		<u>71,768</u>	<u>67,862</u>

Notes

The most material adjustment to reserves is as a result of the differences in valuation of technical provisions which has been further discussed in D.2.

1. Reallocation of amounts not yet due: Under Solvency UK valuation requirements, any amounts not yet due are included as a future cash flow as part of technical provisions. Under statutory accounting requirements, these amounts are included in debtors and creditors on the face of the balance sheet.

2. Elimination of deferred acquisition costs: The Solvency UK balance sheet does not defer insurance cash flows. As such balances for deferred acquisition costs are eliminated upon transition to the Solvency UK balance sheet.

3. Application of Solvency UK boundary (net): On a GAAP basis, ITIC writes certain multi-year policies which are generally for two years. Under the contract boundary requirements of Solvency UK, the exposure relating to these policies is modified to reflect the policy wording

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which includes a break clause after one year and as a result is adjusted for on a Solvency UK basis.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The below table summarises the capital requirements for the current period comparable to the previous period. Further details can be found in appendices S.25.01.

	31/05/2026 US\$000s	31/05/2024 US\$000s
SCR	12,417	13,639
Made up of		
Market risk	5,321	6,811
Underwriting & reserving risk	5,590	6,029
Counterparty default risk	1,689	1,623
Diversification impact	(3,049)	(3,453)
Operational risk	2,865	2,630
MCR	13,963	9,073
MCR coverage	514%	748%
SCR coverage	578%	498%

The SCR has been calculated using the Solvency UK Standard Formula and is subject to supervisory assessment. ITIC does not use any simplifications or undertaking specific parameters to calculate the SCR.

The main risks that drive the SCR is underwriting risk which stems from the insurance risk that ITIC assumes through the course of its normal business activities and is increased by lapse risk associated with future business.

The overall SCR has reduced by US\$1.2m since last year, the reduction is mainly in market risk and underwriting & reserving risk.

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

This sub-module is not used by ITIC.

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

ITIC uses the standard formula for the calculation of its SCR.

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

ITIC has fully complied with the SCR and MCR during the period under review.

E.6 Any other information

There is no other information to disclose.

International Transport Intermediaries Club Limited (“ITIC”)**Solvency and Financial Condition Report (“SFCR”) for the year ended 31st May 2026****Appendix 1 – ITIC Solo****1. ITIC Solo information**

The group has received a waiver from the PRA to present a single group SFCR that incorporates the result of both the group and ITIC on a solo basis. The main part of this SFCR presents the group results, unless otherwise stated. The results of ITIC on a solo basis are detailed in this appendix.

2. ITIC Solo valuation for Solvency Purposes**a. Solo Assets**

	Solvency II	UKGAAP	Solvency II	UKGAAP
	31/05/2026	31/05/2026	31/05/2025	31/05/2025
	US\$000s	US\$000s	US\$000s	US\$000s
Deferred Acquisition costs	-	579	-	476
Financial investments and derivatives	44,192	42,737	50,790	49,799
Reinsurers' share of technical provisions	72,059	96,982	66,321	90,442
Insurance and intermediaries receivables	1,082	21,428	1,427	14,757
Reinsurance receivables	20,807	2,742	9,877	46
Receivables, trade not insurance	136	136	23	23
Cash and cash equivalents	11,568	11,568	7,930	7,930
Any other assets, not elsewhere shown	-	-	-	-
Total	149,845	176,172	136,368	163,474

The above table presents the amounts on a Solvency UK and FRS valuation bases respectively. For classification purposes, an aggregated Solvency UK classification of amounts has been used in order to best demonstrate any valuation differences between the two bases.

Refer to ITIC Solo quantitative reporting template (“QRT”) S.02.01.02 for a full Solvency UK balance sheet.

ITIC Solo’s assets are valued in accordance with the group’s valuation principles further detailed in D.1.

In terms of ITIC Solo’s investment in its subsidiary, ITIC Europe, under FRS this investment is valued at cost less provision for any impairment, whereas on a Solvency UK basis, the value of the investment is determined on a look-through valuation basis which considers the underlying Solvency UK balance sheet of ITIC Europe.

International Transport Intermediaries Club Limited ("ITIC")**Solvency and Financial Condition Report ("SFCR") for the year ended 31st May 2026****b. ITIC Technical provisions**

	31/05/2026 US\$000s	31/05/2025 US\$000s
Gross best estimate	72,599	65,311
Risk Margin	432	378
	<u>73,031</u>	<u>65,689</u>
Reinsurance best estimate	(72,059)	(66,321)
	<u>972</u>	<u>(631)</u>
Net technical provisions		

Refer to ITIC Solo's QRT's S.17.01.02 and S.19.01.21 in the appendices for further details on technical provisions.

ITIC Solo's technical provisions are valued in accordance with the group valuation principles further detailed in S.2.

c. Differences between FRS and Solvency UK technical provisions

A reconciliation of FRS technical provisions to Solvency UK technical provisions is provided below.

Notes	31/05/2026 Gross US\$000s	31/05/2026 Reinsurance US\$000s	31/05/2026 Net US\$000s	31/05/2025 Gross US\$000s	31/05/2025 Reinsurance US\$000s	31/05/2025 Net US\$000s
UK GAAP technical provisions	106,424	96,982	9,442	98,667	90,442	8,225
Eliminate UPR reserve	1 (34,869)	(31,384)	(3,485)	(30,938)	(27,844)	(3,094)
Eliminate margin	2 (6,999)	(6,299)	(700)	(7,158)	(6,443)	(715)
Reallocate premiums not yet due	3 -	(43)	43	-	(506)	506
Adjustment to expense reserve	3 3,149	3,149	-	2,093	2,093	-
Unexpired and BBNI contract cash flows	4 10,828	15,280	(4,452)	10,043	15,647	(5,604)
IBNER Gross up	5 -	-	-	-	-	-
Reinsurance counterparty default adjustment	5 -	(4)	4	-	(7)	7
Effects of discounting	6 (7,098)	(6,721)	(377)	(8,617)	(8,216)	(401)
ENID adjustment	7 1,164	1,099	65	1,221	1,155	66
Solvency II risk margin	2 432	-	432	378	-	378
Total Solvency II technical provisions	73,031	72,059	972	65,689	84,438	(631)

Notes

- 1. Eliminate UPR Reserve.** The Solvency UK balance sheet contains no concept of deferral of premium, and as such any such balances are eliminated upon transition to the Solvency UK balance sheet. These balances are replaced by a provision for future cash flows expected on unexpired business.
- 2. Contingency margin and Solvency UK risk margin.** Since the Solvency UK technical provisions figure is a best estimate, margins for prudence are removed under the Solvency UK valuation methodology. The Solvency UK risk margin is intended to represent a notional market value adjustment as discussed above.
- 3. Reallocation of premiums not yet due.** Under Solvency UK valuation methodologies, all future cash flows are included in the calculation of technical provisions. More specifically, any amount not yet due shall be included as a future cash inflow under the calculation of Solvency UK technical provisions. As a result, any amounts not yet due on the UK GAAP balance sheet is reallocated from receivable premium to technical provisions on the Solvency UK balance sheet.
- 4. Adjustment to expense management reserve.** Unlike UK GAAP, Solvency UK recognises all expense cash flows incurred in servicing insurance obligations. This includes both direct and overhead expenses, as well as investment management expenses. As such, an adjustment is necessary.

International Transport Intermediaries Club Limited ("ITIC")**Solvency and Financial Condition Report ("SFCR") for the year ended 31st May 2026**

- 5. Provision for contracts bound but not incepted.** Solvency UK valuation methodology requires contracts to be recognised when the insurer becomes party to the insurance contract. Usually, an undertaking becomes a party of the contract when the contract between undertaking and policyholder is legally formalised. Many of ITIC Solo's policies are coterminous with its financial year. The consequence is that there is a significant amount of business that is recognised as Bound But Not Incepted ("BBNI") business. A provision on the Solvency UK balance sheet, known as the "premium provision", is thus made for future premiums, claims and expenses that relate to BBNI business.
- 6. Reinsurance counterparty default adjustment.** For the Solvency UK balance sheet, amounts recoverable from reinsurance counterparties must be adjusted for the expected losses due to counterparty default. This adjustment approximates the expected present value of the losses in the event of default, weighted by the probability of default for each counterparty. Under current accounting bases a provision for bad debts is only made where there is objective evidence that a counterparty may default on its obligation. There is no expected reinsurance default in respect of the amounts recoverable from the group's quota share reinsurer, TIMIA, due to a debenture which ITIC has over a portfolio of TIMIA's assets.
- 7. Effects of discounting.** Since Solvency UK technical provisions take into account the time value of money, an adjustment is made for the discounting of all future cash flows, based on risk-free interest rates.
- 8. Events not in data.** Solvency UK requires that all possible outcomes are allowed for when setting the technical provisions. Therefore, an additional provision needs to be made for "events not in data", i.e. potential adverse claims outcomes that have not been observed to date and hence are not taken into account in assessing the claims provisions.

d. ITIC Other liabilities

	Solvency II 31/05/2026 US\$000s	UKGAAP 31/05/2026 US\$000s	Solvency II 31/05/2025 US\$000s	UKGAAP 31/05/2025 US\$000s
Technical provisions	73,031	106,424	65,689	98,667
Derivatives	-	-	9	9
Insurance and intermediaries payables	76	76	89	89
Reinsurance payables	0	290	-	2,217
Payables, trade not insurance	4,966	4,966	3,242	3,242
Total	78,074	111,756	69,028	104,223

The above table presents amounts using Solvency UK and FRS valuation bases respectively. For classification purposes amounts have been aggregated using Solvency UK classification methodologies.

ITIC Solo's other liabilities are valued in accordance with the group's valuation principles further detailed in D.3.

e. ITIC Capital Management

International Transport Intermediaries Club Limited (“ITIC”)**Solvency and Financial Condition Report (“SFCR”) for the year ended 31st May 2026**

	31/05/2026 US\$000s	31/05/2025 US\$000s
SCR ratio	493%	558%
SCR	14,554	12,073
Eligible own funds	<u>71,771</u>	<u>67,340</u>
Excess	57,217	55,267
MCR Ratio	1521%	1427%
MCR	4,720	4,720
Eligible own funds	<u>71,771</u>	<u>67,340</u>
Excess	67,051	62,620
Total Tier 1 Basic own funds	<u>71,771</u>	<u>67,340</u>

ITIC Solo’s principles for capital management are in accordance with the group’s capital management principles further detailed in section E.

f. Material differences between equity shown in the financial statements and the excess of assets over liabilities

The table below provides a reconciliation of the capital reported within the financial statements to that within the Solvency UK balance sheet.

	Notes	31/05/2026 US\$000s	31/05/2025 US\$000s
UK GAAP reserves		64,415	59,251
Solvency II gross technical provisions adjustment		33,393	32,978
Of which reallocation of amounts not yet due	1	(1,838)	(1,927)
Solvency II reinsurance technical provisions adjustment		(24,923)	(24,121)
Of which reallocation of amounts not yet due	1	1,697	1,785
Elimination of deferred acquisition cost - gross	2	(5,787)	(4,764)
Elimination of deferred acquisition costs - reinsurance	2	5,208	4,288
Application of Solvency II boundary (net)	3	(1,851)	(1,140)
Other valuation adjustments - including for. exchange		<u>1,456</u>	<u>991</u>
Total Solvency II basic own funds		<u>71,770</u>	<u>67,340</u>

The most material adjustment to reserves is as a result of the differences in valuation of technical provisions which has been further discussed above.

In addition, a Solvency UK revaluation relating ITIC Solo’s investment in its subsidiary is shown, which is further discussed in the section on valuation of investments above.

g. ITIC Solo Solvency Capital Requirement and Minimum Capital Requirement

	31/05/2026 US\$000s	31/05/2025 US\$000s
SCR	14,554	12,073
<u>Made up of</u>		
Market risk	4,645	6,202
Underwriting & reserving risk	4,421	5,119
Counterparty default risk	7,265	2,104
Diversification impact	(3,955)	(3,313)
Operational risk	<u>2,178</u>	<u>1,959</u>
MCR	4,720	4,720
MCR coverage	1521%	1427%
SCR coverage	493%	558%

The ITIC Solo SCR has increased by US\$2.5m mainly as a result of an increase in counterparty default risk as at the year-end.

In terms of ITIC Solo’s MCR, it remained stable when compared to the prior year.

International Transport Intermediaries Club Limited (“ITIC”)

Solvency and Financial Condition Report (“SFCR”) for the year ended 31st May 2026

Appendix 2 – Quantitative Reporting Templates – ITIC Group

List of reported templates:

- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

INTERNATIONAL TRANSPORT INTERMEDIARIES CLUB LIMITED

Solvency and Financial Condition Report

Disclosures

31 May

2026

(Monetary amounts in USD thousands)

General information

Entity name
Entity identification code and type of code
Country of the group supervisor
Language of reporting
Reporting reference date
Currency used for reporting
Accounting standards
Method of Calculation of the group SCR
Method of group solvency calculation
Matching adjustment
Volatility adjustment
Transitional measure on the risk-free interest rate
Transitional measure on technical provisions

INTERNATIONAL TRANSPORT INTERMEDIARIES CLUB LIMITED
LEI/213800BCZOAY52YN8807
en
31 May 2026
USD
Local GAAP
Standard formula
Method 1 is used exclusively
No use of matching adjustment
No use of volatility adjustment
No use of transitional measure on the risk-free interest rate
No use of transitional measure on technical provisions

List of reported templates

-
- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

IR.02.01.02
Balance sheet

		Solvency II value
Assets		C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	43,877
R0080	Property (other than for own use)	0
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	39,750
R0140	Government Bonds	31,735
R0150	Corporate Bonds	8,015
R0160	Structured notes	0
R0170	Collateralised securities	0
R0180	Collective Investments Undertakings	4,127
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	0
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	97,918
R0280	Non-life and health similar to non-life	97,918
R0315	Life and health similar to life, excluding index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	3,268
R0370	Reinsurance receivables	20,762
R0380	Receivables (trade, not insurance)	440
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	14,633
R0420	Any other assets, not elsewhere shown	236
R0500	Total assets	181,134

Liabilities

R0505	Technical provisions - total
R0510	Technical provisions - non-life
R0515	Technical provisions - life
R0542	Best estimate - total
R0544	Best estimate - non-life
R0546	Best estimate - life
R0552	Risk margin - total
R0554	Risk margin - non-life
R0556	Risk margin - life
R0565	Transitional (TMTP) - life
R0740	Contingent liabilities
R0750	Provisions other than technical provisions
R0760	Pension benefit obligations
R0770	Deposits from reinsurers
R0780	Deferred tax liabilities
R0790	Derivatives
R0800	Debts owed to credit institutions
R0810	Financial liabilities other than debts owed to credit institutions
R0820	Insurance & intermediaries payables
R0830	Reinsurance payables
R0840	Payables (trade, not insurance)
R0850	Subordinated liabilities
R0860	Subordinated liabilities not in Basic Own Funds
R0870	Subordinated liabilities in Basic Own Funds
R0880	Any other liabilities, not elsewhere shown
R0900	Total liabilities
R1000	Excess of assets over liabilities

Solvency II value
C0010
101,339
100,732
606
101,339
100,732
606
0
0
1
47
1,746
6,234
0
0
109,366
71,768

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

R0010

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country	
	US	SG	AU	DE	AE		
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
	15,647	356	2,193	-8	1,033	2,347	21,569
	-1	3,063	0	1,776	0	0	4,838
	0	0	0	0	0	0	0
	5,931	1,296	831	670	392	890	10,011
	9,715	2,123	1,362	1,098	642	1,457	16,396
	13,624	355	2,546	0	1,882	1,893	20,300
	1	3,670	0	2,464	0	0	6,135
	0	0	0	0	0	0	0
	4,731	1,398	884	856	654	657	9,180
	8,894	2,627	1,662	1,608	1,229	1,236	17,256
	7,114	0	5,527	0	841	831	14,313
	0	1,008	0	539	0	0	1,546
	0	0	0	0	0	0	0
	6,483	884	5,039	473	763	729	14,371
	631	124	488	66	78	102	1,488
	8,430	1,842	1,181	953	557	1,264	14,227

Premiums written

R0110 Gross - Direct Business

R0120 Gross - Proportional reinsurance accepted

R0130 Gross - Non-proportional reinsurance accepted

R0140 Reinsurers' share

R0200 Net

Premiums earned

R0210 Gross - Direct Business

R0220 Gross - Proportional reinsurance accepted

R0230 Gross - Non-proportional reinsurance accepted

R0240 Reinsurers' share

R0300 Net

Claims incurred

R0310 Gross - Direct Business

R0320 Gross - Proportional reinsurance accepted

R0330 Gross - Non-proportional reinsurance accepted

R0340 Reinsurers' share

R0400 Net

R0550 Net expenses incurred

	Reconciliation reserve
R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Forseeable dividends, distributions and charges
R0725	Deductions for participations in financial and credit institutions
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0750	Other non available own funds
R0760	Reconciliation reserve

C0060
71,768
0
0
71,768

IR.25.04.22
Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

	Market risk	C0010
R0070	Interest rate risk	2,121
R0080	Equity risk	
R0090	Property risk	
R0100	Spread risk	198
R0110	Concentration risk	806
R0120	Currency risk	4,264
R0125	Other market risk	
R0130	Diversification within market risk	-2,068
R0140	Total Market risk	5,321
	Counterparty default risk	
R0150	Type 1 exposures	1,020
R0160	Type 2 exposures	784
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-114
R0180	Total Counterparty default risk	1,689
	Life underwriting risk	
R0190	Mortality risk	
R0200	Longevity risk	
R0210	Disability-Morbidity risk	
R0220	Life-expense risk	
R0230	Revision risk	
R0240	Lapse risk	
R0250	Life catastrophe risk	
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	
R0270	Total Life underwriting risk	0
	Health underwriting risk	
R0280	Health SLT risk	
R0290	Health non SLT risk	
R0300	Health catastrophe risk	
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	
R0320	Total Health underwriting risk	0
	Non-life underwriting risk	
R0330	Non-life premium and reserve risk (ex catastrophe risk)	4,883
R0340	Non-life catastrophe risk	400
R0350	Lapse risk	2,504
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	-2,197
R0370	Total Non-life underwriting risk	5,590
R0400	Intangible asset risk	
	Operational and other risks	
R0422	Operational risk	2,865
R0424	Other risks	
R0430	Total Operational and other risks	2,865
R0432	Total before all diversification	19,844
R0434	Total before diversification between risk modules	15,466
R0436	Diversification between risk modules	-3,049
R0438	Total after diversification	12,417
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	
R0455	Other adjustments	
R0460	Solvency capital requirement including undisclosed capital add-on	12,417
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	Solvency capital requirement including capital add-on	12,417
R0490	Biting interest rate scenario	increase
R0495	Biting life lapse scenario	mass
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	
R0520	Institutions for occupational retirement provisions	
R0530	Capital requirement for non- regulated entities carrying out financial activities	
R0540	Capital requirement for non-controlled participation requirements	
R0550	Capital requirement for residual undertakings	
	Overall SCR	
R0555	Solvency capital requirement (consolidation method)	12,417
R0560	SCR for undertakings included via D and A	
R0565	SCR for sub-groups included via D and A	
R0570	Solvency capital requirement	12,417

IR.32.01.22

Undertakings in the scope of the group

	Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
Row	C0010	C0020	C0040	C0050	C0060	C0070	C0080
1	GB	LEI/213800BCZOAY52YN8807	International Transport Intermediaries Club Limited	Non-life insurance undertaking	Company limited by guarantee	Mutual	PRA/FCA
2	CY	LEI/2138004D2YA2PY9CLN46	INTERNATIONAL TRANSPORT INTERMEDIARIES INSURANCE COMPANY (EUROPE) LIMITED	Non-life insurance undertaking	Company limited by shares	Non-mutual	Ministry of Finance in Cyprus
3							
4							
5							
6							

IR.32.01.22

Undertakings in the scope of the group

[illegible]

IR.32.01.22

Undertakings in the scope of the group

				Inclusion in the scope of Group supervision		Group solvency calculation	
Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking	
Row	C0010	C0020	C0040	C0050	C0240	C0250	C0260
1	GB	LEI/213800BCZOAY52YN8807	International Transport Intermediaries Club Limited	Non-life insurance undertaking	Included in the scope		Method 1: Full consolidation
2	CY	LEI/2138004D2YA2PY9CLN46	INTERNATIONAL TRANSPORT INTERMEDIARIES INSURANCE COMPANY (EUROPE) LIMITED	Non-life insurance undertaking	Included in the scope		Method 1: Full consolidation
3							
4							
5							
6							

International Transport Intermediaries Club Limited (“ITIC”)

Solvency and Financial Condition Report (“SFCR”) for the year ended 31st May 2026

Appendix 3 – Quantitative Reporting Templates – ITIC Solo

List of reported templates:

- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.17.01.02 - Non-Life Technical Provisions
- IR.19.01.21 - Non-Life insurance claims
- IR.23.01.01 - Own Funds
- IR.25.04.21 - Solvency Capital Requirement
- IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

INTERNATIONAL TRANSPORT INTERMEDIARIES CLUB LIMITED

Solvency and Financial Condition Report

Disclosures

31 May

2026

(Monetary amounts in USD thousands)

General information

Entity name	INTERNATIONAL TRANSPORT INTERMEDIARIES CLUB LIMITED
Entity identification code and type of code	LEI/213800BCZOAY52YN8807
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 May 2026
Currency used for reporting	USD
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

-
- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.17.01.02 - Non-Life Technical Provisions
- IR.19.01.21 - Non-Life insurance claims
- IR.23.01.01 - Own Funds
- IR.25.04.21 - Solvency Capital Requirement
- IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

IR.02.01.02

Balance sheet

	Solvency II value
	C0010
Assets	
R0030 Intangible assets	
R0040 Deferred tax assets	
R0050 Pension benefit surplus	
R0060 Property, plant & equipment held for own use	0
R0070 Investments (other than assets held for index-linked and unit-linked contracts)	44,192
R0080 <i>Property (other than for own use)</i>	0
R0090 <i>Holdings in related undertakings, including participations</i>	11,456
R0100 <i>Equities</i>	0
R0110 <i>Equities - listed</i>	
R0120 <i>Equities - unlisted</i>	
R0130 <i>Bonds</i>	28,610
R0140 <i>Government Bonds</i>	20,595
R0150 <i>Corporate Bonds</i>	8,015
R0160 <i>Structured notes</i>	0
R0170 <i>Collateralised securities</i>	0
R0180 <i>Collective Investments Undertakings</i>	4,127
R0190 <i>Derivatives</i>	0
R0200 <i>Deposits other than cash equivalents</i>	0
R0210 <i>Other investments</i>	0
R0220 Assets held for index-linked and unit-linked contracts	
R0230 Loans and mortgages	0
R0240 <i>Loans on policies</i>	0
R0250 <i>Loans and mortgages to individuals</i>	
R0260 <i>Other loans and mortgages</i>	
R0270 Reinsurance recoverables from:	72,059
R0280 <i>Non-life and health similar to non-life</i>	72,059
R0315 <i>Life and health similar to life, excluding index-linked and unit-linked</i>	
R0340 <i>Life index-linked and unit-linked</i>	
R0350 Deposits to cedants	0
R0360 Insurance and intermediaries receivables	1,082
R0370 Reinsurance receivables	20,807
R0380 Receivables (trade, not insurance)	136
R0390 Own shares (held directly)	
R0400 Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410 Cash and cash equivalents	11,568
R0420 Any other assets, not elsewhere shown	
R0500 Total assets	149,845

		Solvency II value
Liabilities		C0010
R0505	Technical provisions - total	73,031
R0510	<i>Technical provisions - non-life</i>	73,031
R0515	<i>Technical provisions - life</i>	0
R0542	Best estimate - total	72,599
R0544	<i>Best estimate - non-life</i>	72,599
R0546	<i>Best estimate - life</i>	
R0552	Risk margin - total	432
R0554	<i>Risk margin - non-life</i>	432
R0556	<i>Risk margin - life</i>	
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	1
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	76
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	4,966
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	78,075
R1000	Excess of assets over liabilities	71,770

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

R0010

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country	
	US	SG	AU	CH	AE		
	C0080	C0090	C0100	C0110	C0120	C0130	C0140

Premiums written

R0110 Gross - Direct Business

R0120 Gross - Proportional reinsurance accepted

R0130 Gross - Non-proportional reinsurance accepted

R0140 Reinsurers' share

R0200 Net

15,647	358	2,193	-7	2,041	2,347	22,579
-1	2,927	0	1,776	0	0	4,702
						0
4,636	973	650	524	605	695	8,083
11,010	2,312	1,543	1,245	1,437	1,652	19,198

Premiums earned

R0210 Gross - Direct Business

R0220 Gross - Proportional reinsurance accepted

R0230 Gross - Non-proportional reinsurance accepted

R0240 Reinsurers' share

R0300 Net

15,683	355	2,601	0	2,100	2,484	23,223
1	3,689	0	2,423	0	0	6,113
						0
3,604	929	598	557	483	571	6,741
12,080	3,115	2,003	1,866	1,617	1,913	22,594

Claims incurred

R0310 Gross - Direct Business

R0320 Gross - Proportional reinsurance accepted

R0330 Gross - Non-proportional reinsurance accepted

R0340 Reinsurers' share

R0400 Net

6,818	0	5,297	0	2,220	796	15,131
	966		516	0	0	1,482
				0	0	0
6,168	838	4,795	449	2,229	692	15,171
649	127	502	68	-9	104	1,442

R0550 Net expenses incurred

10,635	2,742	1,764	1,643	1,424	1,684	19,892
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IR.05.04.02

Non-life income and expenditure : reporting period

[illegible]

IR.05.04.02

Non-life income and expenditure : reporting period

[illegible]

IR.17.01.02
Non-Life Technical Provisions

Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				Total Non-Life obligation
Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Best estimate																
Premium provisions																
R0060	Gross							9,582								9,582
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default							14,020								14,020
R0150	Net Best Estimate of Premium Provisions							-4,438								-4,438
Claims provisions																
R0160	Gross							63,017								63,017
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default							58,039								58,039
R0250	Net Best Estimate of Claims Provisions							4,978								4,978
R0260	Total best estimate - gross							72,599								72,599
R0270	Total best estimate - net							540								540
R0280	Risk margin							432								432
R0320	Technical provisions - total							73,031								73,031
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total							72,059								72,059
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total							972								972

IR.19.01.21

Non-Life insurance claims

Total Non-life business

20020 Accident year / underwriting year

Gross Claims Paid (non-cumulative)													
(absolute amount)													
Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Development year										In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +		
Prior											-48	-48	-48
R0100	-9	2,450	3,005	1,279	533	204	189	40	24	24	-235	-235	7,513
R0160	-8	2,884	5,258	7,941	2,368	1,249	2,037	102	690	239		239	22,769
R0170	-7	5,068	3,107	2,368	1,684	537	529	2,537	15			15	15,846
R0180	-6	3,609	16,354	4,084	4,269	1,864	266	168				168	30,615
R0190	-5	4,185	4,959	2,910	1,571	1,278	1,954					1,954	16,857
R0200	-4	3,415	3,166	1,056	2,046	1,341						1,341	11,023
R0210	-3	3,232	6,739	5,896	6,346							6,346	22,213
R0220	-2	2,590	3,243	378								378	6,211
R0230	-1	2,875	2,494									2,494	5,370
R0240	0	2,047										2,047	2,047
R0250													
R0260												14,699	140,415
Total													

Gross Undiscounted Best Estimate Claims Provisions												
(absolute amount)												
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Development year										Year end (discounted data)	
	0	1	2	3	4	5	6	7	8	9	10 & +	
Prior											2,069	1,954
R0100	-9	18,348	11,552	6,709	4,961	5,068	1,164	4,115	4,082	4,085	1,428	1,176
R0160	-8	19,437	24,015	13,285	6,414	4,995	1,460	1,125	430	124		104
R0170	-7	20,544	16,360	12,724	9,384	6,674	5,612	3,145	2,605			2,281
R0180	-6	23,297	18,187	11,622	7,471	3,136	2,095	1,737				1,554
R0190	-5	27,406	12,035	7,749	8,638	7,762	7,382					6,737
R0200	-4	19,372	10,224	8,387	4,783	3,423						3,125
R0210	-3	22,263	15,768	12,965	3,653							3,327
R0220	-2	24,346	9,754	12,308								11,274
R0230	-1	16,205	8,478									7,772
R0240	0	16,182										14,882
R0250												
R0260												54,185
Total												

Gross premium		
	C0570	C0580
	Gross earned premium at reporting reference date	Estimate of future gross earned premium
R0160	N-9	51,859
R0170	N-8	51,798
R0180	N-7	54,960
R0190	N-6	57,338
R0200	N-5	59,787
R0210	N-4	65,672
R0220	N-3	68,545
R0230	N-2	71,278
R0240	N-1	62,560
R0250	N	58,927

IR.23.01.01

Own Funds

R0010	Ordinary share capital (gross of own shares)
R0030	Share premium account related to ordinary share capital
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
R0050	Subordinated mutual member accounts
R0070	Surplus funds
R0090	Preference shares
R0110	Share premium account related to preference shares
R0130	Reconciliation reserve
R0140	Subordinated liabilities
R0160	An amount equal to the value of net deferred tax assets
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above

R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

R0290 Total basic own funds

Ancillary own funds

R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees
R0350	Letters of credit and guarantees other
R0360	Supplementary members calls
R0370	Supplementary members calls - other
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Available and eligible own funds

R0500	Total available own funds to meet the SCR
R0510	Total available own funds to meet the MCR
R0540	Total eligible own funds to meet the SCR
R0550	Total eligible own funds to meet the MCR

R0580	SCR
R0600	MCR
R0620	Ratio of Eligible own funds to SCR
R0640	Ratio of Eligible own funds to MCR

Reconcilliation reserve

R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0725	Deductions for participations in financial and credit institutions
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0760	Reconciliation reserve

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
0	0		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
71,770	71,770			
0		0	0	0
0				0
0	0	0	0	0
0				
71,770	71,770	0	0	0

[illegible]

71,770	71,770	0	0	0
71,770	71,770	0	0	
71,770	71,770	0	0	0
71,770	71,770	0	0	

14,554
4,720
493.14%
1520.64%

C0060

71,770
0
0
0
71,770

IR.25.04.21
Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

Market risk		C0010
R0070	Interest rate risk	2,082
R0080	Equity risk	2,520
R0090	Property risk	0
R0100	Spread risk	198
R0110	Concentration risk	846
R0120	Currency risk	2,090
R0125	Other market risk	
R0130	Diversification within market risk	-3,091
R0140	Total Market risk	4,645
Counterparty default risk		
R0150	Type 1 exposures	7,127
R0160	Type 2 exposures	183
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-45
R0180	Total Counterparty default risk	7,265
Life underwriting risk		
R0190	Mortality risk	
R0200	Longevity risk	
R0210	Disability-Morbidity risk	
R0220	Life-expense risk	
R0230	Revision risk	
R0240	Lapse risk	
R0250	Life catastrophe risk	
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	
R0270	Total Life underwriting risk	0
Health underwriting risk		
R0280	Health SLT risk	
R0290	Health non SLT risk	
R0300	Health catastrophe risk	
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	
R0320	Total Health underwriting risk	0
Non-life underwriting risk		
R0330	Non-life premium and reserve risk (ex catastrophe risk)	3,575
R0340	Non-life catastrophe risk	400
R0350	Lapse risk	2,427
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	-1,981
R0370	Non-life underwriting risk	4,421
R0400	Intangible asset risk	
Operational and other risks		
R0422	Operational risk	2,178
R0424	Other risks	
R0430	Total Operational and other risks	2,178
R0432	Total before all diversification	23,626
R0434	Total before diversification between risk modules	18,509
R0436	Diversification between risk modules	-3,955
R0438	Total after diversification	14,554
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	
R0455	Other adjustments	
R0460	Solvency capital requirement including undisclosed capital add-on	14,554
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	Solvency capital requirement including capital add-on	14,554
R0490	Biting interest rate scenario	
R0495	Biting life lapse scenario	

IR.28.01.01
Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010
3,859

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
C0020	C0030
0	
0	
0	
0	
0	
0	
0	
540	29,035
0	
0	
0	
0	
0	
0	
0	

- R0020 Medical expense insurance and proportional reinsurance
- R0030 Income protection insurance and proportional reinsurance
- R0040 Workers' compensation insurance and proportional reinsurance
- R0050 Motor vehicle liability insurance and proportional reinsurance
- R0060 Other motor insurance and proportional reinsurance
- R0070 Marine, aviation and transport insurance and proportional reinsurance
- R0080 Fire and other damage to property insurance and proportional reinsurance
- R0090 General liability insurance and proportional reinsurance
- R0100 Credit and suretyship insurance and proportional reinsurance
- R0110 Legal expenses insurance and proportional reinsurance
- R0120 Assistance and proportional reinsurance
- R0130 Miscellaneous financial loss insurance and proportional reinsurance
- R0140 Non-proportional health reinsurance
- R0150 Non-proportional casualty reinsurance
- R0160 Non-proportional marine, aviation and transport reinsurance
- R0170 Non-proportional property reinsurance

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040
0

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
C0050	C0060

- R0210 Obligations with profit participation - guaranteed benefits
- R0220 Obligations with profit participation - future discretionary benefits
- R0230 Index-linked and unit-linked insurance obligations
- R0240 Other life (re)insurance and health (re)insurance obligations
- R0250 Total capital at risk for all life (re)insurance obligations

Overall MCR calculation

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

C0070
3,859
14,554
6,549
3,638
3,859
4,720
4,720