Progressive Insurance Company Limited

Solvency and Financial Condition Report

Disclosures

³¹ December 2019

(Monetary amounts in EUR thousands)

General information

Undertaking name	Progressive Insurance Company Limited
Undertaking identification code	529900BLBH5YY0K8NY18
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	CY
Language of reporting	en
Reporting reference date	31 December 2019
Currency used for reporting	EUR
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business

 $\ensuremath{\mathsf{S.05.02.01}}$ - Premiums, claims and expenses by country

S.17.01.02 - Non-Life Technical Provisions

S.19.01.21 - Non-Life insurance claims

S.23.01.01 - Own Funds

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

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

S.02.01.02 Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	130
R0040	Deferred tax assets	28
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	1,434
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	3,927
R0080	Property (other than for own use)	2,048
R0090	Holdings in related undertakings, including participations	543
R0100	Equities	3
R0110	Equities - listed	3
R0120	Equities - unlisted	0
R0130	Bonds	0
R0140	Government Bonds	0
R0150	Corporate Bonds	0
R0160	Structured notes	0
R0170	Collateralised securities	0
R0180	Collective Investments Undertakings	0
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	1,332
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	0
R0260	Other loans and mortgages	0
R0270	Reinsurance recoverables from:	631
R0280	Non-life and health similar to non-life	631
R0290	Non-life excluding health	626
R0300	Health similar to non-life	5
R0310	Life and health similar to life, excluding index-linked and unit-linked	0
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	0
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	654
R0370	Reinsurance receivables	23
R0380	Receivables (trade, not insurance)	11
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1,419
R0420	Any other assets, not elsewhere shown	282
	Total assets	8,538

S.02.01.02 Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	3,225
R0520	Technical provisions - non-life (excluding health)	3,217
R0530	TP calculated as a whole	0
R0540	Best Estimate	2,882
R0550	Risk margin	335
R0560	Technical provisions - health (similar to non-life)	8
R0570	TP calculated as a whole	0
R0580	Best Estimate	7
R0590	Risk margin	1
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	TP calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	0
R0660	TP calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	413
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	416
R0840	Payables (trade, not insurance)	
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in BOF	
R0870	Subordinated liabilities in BOF	0
R0880	Any other liabilities, not elsewhere shown	398
R0900	Total liabilities	4,452
R1000	Excess of assets over liabilities	4,086

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S.05.01.02

Premiums, claims and expenses by line of business

Non-life

				Line of Business	for: non-life ins	urance and rein	surance obligat	tions (direct bus	iness and accep	oted proportion	al reinsurance)			Line of busine	ss for: accepted	d non-proportion	al reinsurance	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	Total
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business	16	17		2,556	609	68	1,313	672	22			50					5,323
R0120	Gross - Proportional reinsurance accepted	0	0		0	0	0	0	0	0			0					0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share	0	15		239	34	50	1,106	252	1			48					1,746
R0200	Net	16	2		2,317	574	17	208	420	21			2					3,577
	Premiums earned																	
R0210	Gross - Direct Business	15	19		2,589	617	60	1,267	626	27			52					5,271
R0220	Gross - Proportional reinsurance accepted	0	0		0	0	0	0	0	0			0					0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share	0	17		240	35	44	1,059	235	4			50					1,684
R0300	Net	15	2		2,349	582	16	208	390	23			1					3,587
	Claims incurred																	
R0310	Gross - Direct Business	2	4		1,063	392	4	410	169	218			0					2,262
R0320	Gross - Proportional reinsurance accepted	0	0		0	0	0	0	0	0	1	1	0					0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share	0	3		-92	0	4	300	51	186			0					451
R0400	Net	2	0		1,155	392	1	110	119	33			0					1,810
	Changes in other technical provisions																	
R0410	Gross - Direct Business	0	0		10	0	0	-2	7	0			0					16
R0420	Gross - Proportional reinsurance accepted	0	0		0	0	0	0	0	0	1	1	0					0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share	0	0		0	0	0	0	0	0			0					0
R0500	Net	0	0		10	0	0	-2	7	0			0					16
R0550	Expenses incurred	4	3		961	242	16	353	196	5			17					1,798
	Other expenses			1							1	1			1			335
	Total expenses																	2,133

R1300 Total expenses

2,133

S.05.02.01 Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (b	oy amount of gross p non-life obligations		premiums wri	by amount of gross tten) - non-life ations	Total Top 5 and home country
R0010								nome country
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	5,323						5,32
R0120	Gross - Proportional reinsurance accepted	0						
R0130	Gross - Non-proportional reinsurance accepted	0						
R0140	Reinsurers' share	1,746						1,74
R0200	Net	3,577						3,57
	Premiums earned							
R0210	Gross - Direct Business	5,271						5,27
R0220	Gross - Proportional reinsurance accepted	0						
R0230	Gross - Non-proportional reinsurance accepted	0						
R0240	Reinsurers' share	1,684						1,68
R0300	Net	3,587						3,58
	Claims incurred							
R0310	Gross - Direct Business	2,262						2,26
R0320	Gross - Proportional reinsurance accepted	0						
R0330	Gross - Non-proportional reinsurance accepted	0						
R0340	Reinsurers' share	451						45
R0400	Net	1,810						1,81
	Changes in other technical provisions							
R0410	Gross - Direct Business	16						1
R0420	Gross - Proportional reinsurance accepted	0						
R0430		0						
R0440	Reinsurers' share	0						
R0500	Net	16						1
R0550	Expenses incurred	1,798						1,79
R1200	Other expenses							33
R1300	Total expenses							2,13

S.17.01.02 Non-Life Technical Provisions

						Direct busi	ness and accepte	ed proportional re	einsurance					Ac	cepted non-prop	ortional reinsurar	ice	
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non- proportional health reinsurance	Non- proportional casualty reinsurance	Non- proportional marine, aviation and transport reinsurance	Non- proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	Technical provisions calculated as a whole	0	0		0	0	0	0	0	0			0					0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																	0
	Technical provisions calculated as a sum of BE and RM Best estimate																	
	Premium provisions																	
R0060	Gross	3	-1		374	216	-20	-69	20	3			-2					524
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected	0	1		3	0	-3	-76	7	0			-2					-69
	losses due to counterparty default																	
R0150	Net Best Estimate of Premium Provisions	3	-2		371	216	-17	6	13	3			-1					593
	Claims provisions																	
R0160	Gross	0	5		1,386	197	2	430	335	10			0					2,365
	Total recoverable from reinsurance/SPV and																	
R0240	Finite Re after the adjustment for expected losses due to counterparty default	0	4		144	0	2	369	173	8			0					700
R0250	Net Best Estimate of Claims Provisions	0	1		1,242	197	0	61	161	2			0					1,665
		-		1									-	1	1			
	Total best estimate - gross	4	3		1,760				354				-2					2,889
R0270	Total best estimate - net	4	-1		1,613	413		68	174				-1					2,258
R0280	Risk margin	1	0		230	50	1	17	35	2			0					336
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin				1													0
R0320	Technical provisions - total	5	4		1,990	463	-17	378	390	15			-2					3,225
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	0	5		146	0	-1	293	181	8			-2					631
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	5	-1		1,843	463	-16	85	209	7			0					2,594

S.19.01.21 Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year Accident Year

I	Gross Claims	Paid (non-cum	ulative)											
	(absolute am		lalative,											
	1	60040	60000	60020	600.40	60050	600/0	60070	60000	60000	60100	60110	60470	60400
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year					Developm	-						In Current	Sum of years
	ı.	0	1	2	3	4	5	6	7	8	9	10 & +	year	(cumulative)
0100	Prior											221	221	221
0160	2010	1,587	472	479	-4	51	88	0	26	4	6		6	2,709
0170	2011	972	1,047	370	71	1	4	15	0	58			58	2,539
0180	2012	982	540	109	24	86	50	60	15				15	1,866
0190	2013	818	452	119	52	72	67	12					12	1,592
0200	2014	798	399	86	6	14	0						0	1,304
0210	2015	882	314	70	22	7							7	1,294
0220	2016	1,010	387	63	102								102	1,562
0230	2017	1,098	428	103									103	1,629
0240	2018	1,029	760										760	1,789
0250	2019	1,033											1,033	1,033
0260												Total	2,317	17,538

	Gross Undisc	counted Best E	stimate Clain	ns Provisions									
	(absolute am	iount)											
													C0360
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	Year end
	Year					Developm	nent year						(discounted
		0	1	2	3	4	5	6	7	8	9	10 & +	data)
R0100	Prior											249	250
R0160	2010	0	0	0	0	0	0	62	54	29	6	i i i i i i i i i i i i i i i i i i i	6
R0170	2011	0	0	0	0	0	65	33	20	49			50
R0180	2012	0	0	0	0	128	75	79	120				121
R0190	2013	0	0	0	167	170	189	74					74
R0200	2014	0	0	45	23	6	13						13
R0210	2015	0	99	60	8	-2							-2
R0220	2016	647	236	161	217								218
R0230	2017	951	322	298									299
R0240	2018	1,115	347										349
R0250	2019	982											987
R0260												Total	2,365

5.23.01.01 Own Funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

- 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

- R0230 Deductions for participations in financial and credit institutions
- R0290 Total basic own funds after deductions

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 under Article 96(2) of the Directive 2009/138/EC
- R0350 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
- R0360 Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
- R0370 Supplementary members calls other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
- 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
- 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

Expected profits

- R0770 Expected profits included in future premiums (EPIFP) Life business
- R0780 Expected profits included in future premiums (EPIFP) Non- life business
- R0790 Total Expected profits included in future premiums (EPIFP)

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
1,710	1,710		0	
0	0		0	
0	0		0	
0		0	0	0
0	0			
0		0	0	0
0		0	0	0
2,376	2,376			
0		0	0	0
0				0
0	0	0	0	0
0				
0				
4,086	4,086	0	0	0



4,086	4,086	0	0	0
4,086	4,086	0	0	
4,086	4,086	0	0	0
4,086	4,086	0	0	
2 744				

2,744
3,700
148.93%
110.44%
C0060

	0000
5	4,086
)	0
)	1,710
)	0
5	2,376



S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications	
		C0110	C0090	C0120	
R0010	Market risk	1,100			
R0020	Counterparty default risk	928			
R0030	Life underwriting risk	0			
R0040	Health underwriting risk	102			
R0050	Non-life underwriting risk	1,263			
R0060	Diversification	-912			
R0070 R0100	Intangible asset risk Basic Solvency Capital Requirement	104		For life underwriting risk: 1 - Increase in the amount of annuity benefits	
	Calculation of Solvency Capital Requirement	C0100	For health und	erwriting risk: he amount of annuity	
R0130	Operational risk	158	benefits	,	
R0140	Loss-absorbing capacity of technical provisions	0	2 - Standard de premium ri	viation for NSLT health k	
R0150	Loss-absorbing capacity of deferred taxes	0	3 - Standard de	viation for NSLT health gross	
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0	premium ri: 4 - Adjustment	k factor for non-proportional	
R0200	Solvency Capital Requirement excluding capital add-on	2,744	reinsurance	viation for NSLT health	
R0210	Capital add-ons already set	0	reserve risk	nation for NSET fleatth	
R0220	Solvency capital requirement	2,744	9 - None		
R0400	Other information on SCR Capital requirement for duration-based equity risk sub-module	0	4 - Adjustment reinsurance	derwriting risk: factor for non-proportional /iation for non-life	
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0	premium ri	ik	
R0410	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0	7 - Standard de premium ri	viation for non-life gross k	
R0420	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0	8 - Standard de	viation for non-life	
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0	reserve risk 9 - None		
	Approach to tax rate	C0109			
R0590	Approach based on average tax rate	0			

Calculation of loss absorbing capacity of deferred taxes

R0640 LAC DT

- R0650 LAC DT justified by reversion of deferred tax liabilities
- R0660 LAC DT justified by reference to probable future taxable economic profit
- R0670 LAC DT justified by carry back, current year
- R0680 LAC DT justified by carry back, future years

R0690 Maximum LAC DT

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

	Linear formula component for non-life insurance and reinsurance obligations	C0010		
R0010	MCR _{NL} Result	531		
			Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
			C0020	C0030
R0020	Medical expense insurance and proportional reinsurance		4	16
R0030	Income protection insurance and proportional reinsurance		0	2
R0040	Workers' compensation insurance and proportional reinsurance		0	0
R0050	Motor vehicle liability insurance and proportional reinsurance		1,613	2,317
R0060	Other motor insurance and proportional reinsurance		413	574
R0070	Marine, aviation and transport insurance and proportional reinsurance		0	17
R0080	Fire and other damage to property insurance and proportional reinsurance		68	208
R0090 R0100	General liability insurance and proportional reinsurance Credit and suretyship insurance and proportional reinsurance		174	420
R0110	Legal expenses insurance and proportional reinsurance		0	0
R0120	Assistance and proportional reinsurance		0	0
R0130	Miscellaneous financial loss insurance and proportional reinsurance		0	2
R0140	Non-proportional health reinsurance		0	0
R0150	Non-proportional casualty reinsurance		0	0
R0160	Non-proportional marine, aviation and transport reinsurance		0	0
R0170	Non-proportional property reinsurance		0	0
R0200	Linear formula component for life insurance and reinsurance obligations MCR_L $Result$	C0040		
			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 R0230	Obligations with profit participation - future discretionary benefits Index-linked and unit-linked insurance obligations			
R0230	Other life (re)insurance and health (re)insurance obligations			
	Total capital at risk for all life (re)insurance obligations			
	Overall MCR calculation	C0070	1	I
R0300	Linear MCR	531		
R0310		2,744		
	MCR cap	1,235		
	MCR floor	686		
R0340	Combined MCR	686		
R0350	Absolute floor of the MCR	3,700		

R0400 Minimum Capital Requirement

531
2,744
1,235
686
686
3,700
3,700