

Bank of England

Prudential Regulation Authority

Annex II Chapter 10

Instructions regarding reporting templates for individual undertakings

S.25.04 – Solvency Capital Requirement

General comments:

This section relates to annual submission of information for individual entities, ring fenced–funds, matching adjustment portfolios and remaining part.

Template SR.25.04 shall be reported by each ring–fenced fund (RFF), matching adjustment portfolio (MAP) and the remaining part. References to S.25.05 and S.26 below should be interpreted as references to SR.25.05 and SR.26.

In the text below SF refers to standard formula firms, IM to full internal model or partial internal firms. SF firms which have RFFs or MAPs should calculate all items for S.25.04 as the sum of the SR.25.04 templates for that firm.

	ITEM	INSTRUCTIONS
<u>Z0020</u>	<u>Ring–fenced fund, matching adjustment portfolio or Remaining Part</u>	<u>Identifies whether the reported figures are with regard to a RFF, MAP or to the remaining part. One of the options in the following closed list shall be used: 1 – RFF/MAP 2 – Remaining part</u>
<u>Z0030</u>	<u>Fund/Portfolio number</u>	<u>When item Z0020 = 1, identification number for a ring fenced fund or matching adjustment portfolio. This number is attributed by the undertaking and must be consistent over time and with the fund/portfolio number reported in other templates.</u>
<u>C0010/R0140</u>	<u>Market risk</u>	<u>Market risk capital requirement – sum of R0070-R0130</u>
<u>C0010/R0070</u>	<u>Interest rate risk</u>	<u>SF: S.26.01 C0060/R0100 IM: sum of S.25.05 codes 101-103</u>
<u>C0010/R0080</u>	<u>Equity risk</u>	<u>SF: S.26.01 C0060/R0200 IM: sum of S.25.05 code 104 and 105</u>
<u>C0010/R0090</u>	<u>Property risk</u>	<u>SF: S.26.01 C0060/R0300 IM: sum of S.25.05 code 106</u>
<u>C0010/R0100</u>	<u>Spread risk</u>	<u>SF: S.26.01 C0060/R0400 IM: sum of S.25.05 code 107</u>
<u>C0010/R0110</u>	<u>Concentration risk</u>	<u>SF: S.26.01 C0060/R0500 IM: sum of S.25.05 code 108</u>
<u>C0010/R0120</u>	<u>Currency risk</u>	<u>SF: S.26.01 C0060/R0600 IM: sum of S.25.05 code 109</u>
<u>C0010/R0125</u>	<u>Other market risk</u>	<u>SF: not applicable IM: sum of S.25.05 codes 100 and 110</u>
<u>C0010/R0130</u>	<u>Diversification within market risk</u>	<u>SF: S.26.01 C0060/R0700 IM: sum of S.25.05 code 199</u>

Bank of England

Prudential Regulation Authority

<u>C0010/R0180</u>	<u>Counterparty default risk</u>	<u>Counterparty risk capital requirement – sum of R0150-R0170</u>
<u>C0010/R0150</u>	<u>Type 1 exposures</u>	<u>SF: S.26.02 C0070/R0100</u> <u>IM: sum of S.25.05 code 201</u>
<u>C0010/R0160</u>	<u>Type 2 exposures</u>	<u>SF: S.26.02 C0070/R0300</u> <u>IM: sum of S.25.05 code 202</u>
<u>C0010/R0165</u>	<u>Other counterparty risk</u>	<u>SF: not applicable</u> <u>IM: sum of S.25.05 codes 200 and 203</u>
<u>C0010/R0170</u>	<u>Diversification within counterparty risk</u>	<u>SF: S.26.02 C0070/R0330</u> <u>IM: sum of S.25.05 code 299</u>
<u>C0010/R0270</u>	<u>Life underwriting risk</u>	<u>Life underwriting risk capital requirement – sum of R0190-R0260</u>
<u>C0010/R0190</u>	<u>Mortality risk</u>	<u>SF: S.26.03 C0060/R0100</u> <u>IM: sum of S.25.05 code 301</u>
<u>C0010/R0200</u>	<u>Longevity risk</u>	<u>SF: S.26.03 C0060/R0200</u> <u>IM: sum of S.25.05 code 302</u>
<u>C0010/R0210</u>	<u>Disability-Morbidity risk</u>	<u>SF: S.26.03 C0060/R0300</u> <u>IM: sum of S.25.05 code 303</u>
<u>C0010/R0220</u>	<u>Life-expense risk</u>	<u>SF: S.26.03 C0060/R0500</u> <u>IM: sum of S.25.05 code 306</u>
<u>C0010/R0230</u>	<u>Revision risk</u>	<u>SF: S.26.03 C0060/R0600</u> <u>IM: sum of S.25.05 code 307</u>
<u>C0010/R0240</u>	<u>Lapse risk</u>	<u>SF: S.26.03 C0060/R0400</u> <u>IM: sum of S.25.05 codes 304 and 305</u>
<u>C0010/R0250</u>	<u>Life catastrophe risk</u>	<u>SF: S.26.03 C0060/R0700</u> <u>IM: sum of S.25.05 code 308</u>
<u>C0010/R0255</u>	<u>Other life underwriting risk</u>	<u>SF: not applicable</u> <u>IM: sum of S.25.05 codes 300 and 309</u>
<u>C0010/R0260</u>	<u>Diversification within life underwriting risk</u>	<u>SF: S.26.03 C0060/R0800</u> <u>IM: sum of S.25.05 code 399</u>
<u>C0010/R0320</u>	<u>Health underwriting risk</u>	<u>Health underwriting risk capital requirement – sum of R0280-R0310</u>
<u>C0010/R0280</u>	<u>Health SLT risk</u>	<u>SF: S.26.04 C0060/R0800</u> <u>IM: sum of S.25.05 codes 401-407</u>
<u>C0010/R0290</u>	<u>Health non SLT risk</u>	<u>SF: S.26.04 C0240/R1400</u> <u>IM: sum of S.25.05 codes 408-412</u>
<u>C0010/R0300</u>	<u>Health catastrophe risk</u>	<u>SF: S.26.04 C0250/R1540</u> <u>IM: sum of S.25.05 code 413-415</u>
<u>C0010/R0305</u>	<u>Other health underwriting risk</u>	<u>SF: not applicable</u> <u>IM: sum of S.25.05 codes 400 and 416</u>
<u>C0010/R0310</u>	<u>Diversification within health underwriting risk</u>	<u>SF: S.26.04 C0270/R1600</u> <u>IM: sum of S.25.05 code 499</u>
<u>C0010/R0370</u>	<u>Non-life underwriting risk</u>	<u>Non-life underwriting risk capital requirement – sum of R0330-R0360</u>
<u>C0010/R0330</u>	<u>Non-life premium and reserve risk</u>	<u>SF: S.26.05 C0100/R0300</u> <u>IM: sum of S.25.05 codes 501 and 502</u>
<u>C0010/R0340</u>	<u>Non-life catastrophe risk</u>	<u>SF: S.26.05 C0060/R0600</u> <u>IM: sum of S.25.05 codes 503</u>
<u>C0010/C0350</u>	<u>Lapse risk</u>	<u>SF: S.26.05</u>

Bank of England

Prudential Regulation Authority

		<u>IM: sum of S.25.05 codes 504</u>
<u>C0010/R0355</u>	<u>Other non-life underwriting risk</u>	<u>SF: not applicable</u> <u>IM: sum of S.25.05 codes 500 and 505</u>
<u>C0010/R0360</u>	<u>Diversification within non-life underwriting risk</u>	<u>SF: S.26.05 C0060/R0600</u> <u>IM: sum of S.25.05 code 599</u>
<u>C0010/R0400</u>	<u>Intangible asset risk</u>	<u>SF: intangible asset risk capital requirement</u> <u>IM: sum of S.25.05 codes 600 and 601</u>
<u>C0010/R0430</u>	<u>Operational and other risks</u>	<u>Operational and other risks capital requirement – sum of R0422-R0424</u>
<u>C0010/R0422</u>	<u>Operational risk</u>	<u>SF: S.26.06 C0020/R0340</u> <u>IM: sum of S.25.05 code 701</u>
<u>C0010/R0424</u>	<u>Other risks</u>	<u>SF: not applicable</u> <u>IM: sum of S.25.05 code 801</u>
<u>C0010/R0432</u>	<u>Total before diversification within risk modules</u>	<u>Sum of risk components shown in this template excluding diversification within risk modules (R0070-R0125, R0150-R0165, R0190-R0255, R0280-R0305, R0330-R0355, R0400, R0422-R0424)</u>
<u>C0010/R0434</u>	<u>Total before diversification between risk modules</u>	<u>Sum of risk module capital requirements (R0140, R0180, R0270, R0320, R0370, R0400, R0430)</u>
<u>C0100/R0436</u>	<u>Diversification between risk modules</u>	<u>The total amount of the diversification between risk modules. This amount shall be reported as negative value.</u>
<u>C0010/R0438</u>	<u>Total after diversification</u>	<u>SCR after all diversification</u>
<u>C0010/R0440</u>	<u>Loss-absorbing capacity of technical provisions</u>	<u>SF: Amount/Estimate of the overall adjustment for loss-absorbing capacity of technical provisions if allowance embedded in the components exceeds the amount allowable. This amount shall be reported as a positive amount.</u> <u>IM: Amount/Estimate of the overall adjustment for loss-absorbing capacity of technical provisions if allowance embedded in the components does not take into account all the allowable management actions. This amount shall be reported as a negative amount.</u> <u>IM: sum of S.25.05 code 802</u>
<u>C0010/R0450</u>	<u>Loss absorbing capacity for deferred tax</u>	<u>Amount/Estimate of the adjustment for loss-absorbing capacity for deferred taxes excluding any amount embedded in a component. This amount shall be reported as a negative amount.</u> <u>IM : sum of S.25.05 code 803.</u>
<u>C0100/R0455</u>	<u>Other adjustments</u>	<u>Other adjustments in the SCR calculation not included above.</u> <u>IM: sum of S.25.05 code 804.</u>

Bank of England

Prudential Regulation Authority

<u>C0100/R0460</u>	<u>Solvency capital requirement, excluding capital add-ons</u>	<u>Amount of the total diversified SCR before any capital add-on.</u>
<u>C0010/R0470</u>	<u>Capital add-on</u>	<u>Amount of capital add-ons that had been set at the reporting reference date. It will not include capital add-ons set between that date and the submission of the data to the supervisory authority, nor any set after the submission of the data.</u>
<u>C0010/R0480</u>	<u>Solvency Capital Requirement</u>	<u>Overall capital requirement including capital add-ons</u>
<u>C0010/R0490</u>	<u>Biting interest rate scenario</u>	<u>Interest rate scenario for SCR calculation ('increase' or 'decrease')</u>
<u>C0010/R0495</u>	<u>Biting life lapse scenario</u>	<u>Lapse scenario for life underwriting SCR calculation ('increase', 'decrease' or 'mass')</u>

Draft for consultation