Solvency and Financial Condition Report (SFCR)

General Insurance Corporation of India -

GIC Re, UK, London branch

2025-26

Index

Summary

This document is the Solvency and Financial Condition Report ("SFCR") for General Insurance Corporation of India (UK Branch) ("GIC Re, UK" or the "Branch") for the year ended 31 March 2026.

GIC Re, UK is a Third Country Branch undertaking of The General Insurance Corporation of India, Mumbai, India and is subject to regulation by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA").

Since 2017, the parent company General Insurance Corporation of India has been listed on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE").

This Solvency and Financial Condition Report ("SFCR") covers GIC Re, UK on a solo basis only. All figures in this report are in $ '000s unless otherwise stated – any minor differences are due to rounding.

Throughout this report, the term "Solvency II" is used in reference to regulatory capital requirements and related elements of the prudential framework. Following the UK's departure from the EU, the UK government launched a review of the Solvency II regime in April 2022. The phased implementation of reforms under the new "Solvency UK" regime concluded on 31 December 2024. As of the reporting date, there are no material differences to the Solvency Capital Requirement (SCR) or associated methodologies. Accordingly, this report continues to refer to "Solvency II" for consistency and clarity.

Business and performance

For the year ended 31 March 2026, the Branch reported an underwriting loss of $20.76 million from its reinsurance business (2024/25: profit of $15.94 million), primarily driven by increased claims activity. However, after including investment income, the Branch recorded an overall loss of $0.6 million.

The Branch does not hold any investments other than fixed deposits which have been classified as cash and cash equivalents within the Solvency II ("SII") balance sheet. Investment income in the year relates to the interest income received on these deposits.

During the year there have been continued short-term inflationary pressures in line with recent Bank of England forecasts, however due to the longer-term nature of the GIC Re, UK portfolio the long-term effects are likely to be limited.

Since January 2020, the world experienced an unprecedented health pandemic of COVID19 with widespread global impact. GIC Re, UK has integrated remote working capabilities and has been able to continue to serve policyholders with minimal disruption.

Systems and governance

Under the Senior Managers and Certification Regime the control functions SMF19 is held by senior Branch officials. The governance of the Branch is overseen locally and is covered by the wider systems of governance of GIC Re, India.

Risk profile

As part of the risk management process the risk register is reviewed on a continuing basis and encompasses current and emerging risks.

Underwriting risk is the risk of loss arising from the inherent uncertainties about the occurrence, amount and timing of insurance liabilities and premiums. The primary risk identified by the Branch is a risk that appropriate procedures are not in place to allow proper monitoring of the application, management and effectiveness of the company-branch reinsurance programme resulting in large losses borne by the Branch.

Market risk arises from fluctuations in values of or income from assets, in interest rates or in exchange rates. The Branch has identified the risk of fluctuations in exchange rates could negatively impact GIC Re, UK's technical and investment performance thus affecting growth, profitability, and solvency.

Credit risk refers to the risk of loss if another party fails to perform its obligations or fails to perform them in a timely fashion. The Branch has identified the risk one or more of the Branch reinsurers is unable to pay amounts due or a financial institution holding the assets of the branch fails.

Liquidity risk refers to the risk that sufficient financial resources are not maintained to meet liabilities as they fall due. The Branch has identified the risk that liabilities fall due earlier than expected requiring premature encashment of fixed deposits and result in loss of interest income.

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Branch has identified the risk that delays occur in responding to, or acceptance of, proposals received, on account of time and resources, resulting in potential loss of business.

Further discussion on the mitigating techniques used by the Branch are outlined in Section C of the SFCR.

Valuation for solvency purposes

An analysis of the adjustments made from the Branch Accounts to the SII assets and liabilities are provided in sections D1 and D3 of this report.

The valuation of the technical provisions including the amount of the best estimate and risk margin are disclosed in section D2 of this report. Descriptions of the methods and main assumptions are also discussed there.

Capital management

Under the European Union's Solvency II Directive (2009/138/EC) ("Solvency II" or "SII"), GIC Re, UK's Own Funds at 31 March 2026 are $377.6m (2024/25: $289.7m). Based on the standard formula, GIC Re, UK's Minimum Capital Requirement ("MCR") is $47.5m (2024/25 $44.0m) and its Solvency Capital Requirement ("SCR") is $189.8m (2024/25 $176.1m). GIC Re, UK therefore has a capital surplus of $330.1m (2024/25 $245.7m) against the MCR and $187.7m (2024/25 $113.6m) against the SCR at 31st March 2026. The ratio of eligible own funds to the SCR is 198.9% (2024/25 164.5%) and 795.6% to the MCR (2024/25: 647.9%).

In addition, GIC Re, UK is a Third Country Branch undertaking of The General Insurance Corporation of India, Mumbai, India. The General Insurance Corporation of India, Mumbai, India has available net assets of $9.123 billion at 31st March 2026 and has a capital surplus of $5.577 billion per Indian regulation.

There were no material changes to GIC Re, UK's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

Approval by the Branch Management of the Solvency and Financial Condition Report of General Insurance Corporation of India – GIC Re, UK, London Branch ('the Branch")

Financial Year Ended 31st March 2026

We acknowledge our responsibility for preparing the Solvency and Financial Condition Report (SFCR) of the Branch at 31st March 2026 in all material respects in accordance with the PRA Rules and the Solvency II Regulations.

The Branch Management are satisfied that to the best of its knowledge and belief:

a) during the financial year to 31st March 2026, the Branch has complied in all material respects with the requirements of the PRA rules and Solvency UK Regulations as applicable to the Branch; and
b) it is reasonable to believe that, in respect of the period from 31st March 2026 to the date of the publication of the SFCR, the Branch has continued so to comply, and will continue so to comply for the remainder of the financial year to 31 March 2027.

Kanad
Manjrekar
London
2026-07-13
15:40+01:00

Chief Manager
Date: 13 July 2026

Report of the external independent auditor to the General Manager of General Insurance Corporation of India –UK Branch (‘the Branch”) pursuant to Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook applicable to Solvency UK firms

Report on the Audit of the relevant elements of the Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by the Branch as at 31st March 2026:

- The ‘Valuation for solvency purposes’ and ‘Capital Management’ sections of the Solvency and Financial Condition Report of the Branch (‘the Narrative Disclosures subject to audit’); and

- Company templates IR.02.01.07, IR.17.01.01, (‘the Templates subject to audit’).

The Narrative Disclosures subject to audit and the Templates subject to audit are collectively referred to as the ‘relevant elements of the Solvency and Financial Condition Report’.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- The ‘Business and performance’, ‘System of governance’ and ‘Risk profile’ elements of the Solvency and Financial Condition Report;

- Company templates IR.05.02.01; and

- the written acknowledgement by management of their responsibilities, including for the preparation of the solvency and financial condition report (‘the Responsibility Statement’).

In our opinion, the information subject to audit in the relevant elements of the Solvency and Financial Condition Report of the Branch is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency UK regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK), including ISA (UK) 800 and ISA (UK) 805. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report section of our report. We are independent of the Branch in accordance with the ethical requirements that are relevant to our audit of the Solvency and Financial Condition Report in the UK, including the FRC’s applicable Ethical Standards, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

Our evaluation of the General Managers' assessment of the Branch's ability to continue to adopt the going concern basis of accounting included:

1. Obtaining manager's going concern assessment and challenging the material assumptions made using our knowledge of company's business performance;
2. Considered the forward looking assumptions and assessed the reasonableness of this based on recent historic performance;
- Assessment of financial solvency through inspection of management's Own Risk and Solvency Assessment ("ORSA"); and
3. Reviewing information obtained during the course of the audit and publicly available market information to identify any evidence that would contradict management's assessment of going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Branch's ability to continue as a going concern for a period of at least twelve months from the date on which the Solvency and Financial Condition Report is authorised for issue.

In auditing the Solvency and Financial Condition Report, we have concluded that the managers' use of the going concern basis of accounting in the preparation of the Solvency and Financial Condition Report is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Branch's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Managers with respect to going concern are described in the relevant sections of this report.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for solvency purposes', 'Capital Management' and other relevant disclosures sections of the Solvency and Financial Condition Report, which describe the basis of accounting. The Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency UK regulations, and therefore in accordance with a special purpose financial reporting framework. The Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Other Information

The General Manager is responsible for the Other Information.

Our opinion on the relevant elements of the Solvency and Financial Condition Report does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the General Manager for the Solvency and Financial Condition Report

The General Manager is responsible for the preparation of the Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA rules and Solvency UK regulations.

The General Manager is also responsible for such internal control as they determine is necessary to enable the preparation of a Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Solvency and Financial Condition Report are prepared, in all material respects, with financial reporting provisions of the PRA Rules and Solvency UK regulations on which they are based.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Solvency and Financial Condition Report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK regulatory principles, and we considered the extent to which non-compliance might have a material effect on the Solvency and Financial Condition Report. We also considered those laws and regulations that have a direct impact on the Solvency and Financial Condition Report. We evaluated management's incentives and opportunities for fraudulent manipulation of the Solvency and Financial Condition Report (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed included:

- Discussions with management, external actuaries, and the company's compliance function, including consideration of known or suspected instances of non-compliance with laws, regulation, and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in relation to Solvency UK valuation adjustments made to the UK GAAP technical provisions balance;

- Identifying material adjustments to derive the Solvency UK financial information from the statutory financial statements and assessing for indicators of material non-compliance with Solvency UK regulations; and
- Designing audit procedures that incorporated unpredictability around the nature, timing or extent of our testing to material and immaterial Solvency UK Balance Sheet items, as well as validating the accuracy of financial information used to derive the Relevant Elements of the SFCR subject to audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Solvency and Financial Condition Report. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit-and-Actuarial-Regulation/Audit-and-assurance/Standards-and-guidance/Standards-and-guidancefor-auditors/Auditors-responsibilities-for-audit/Scope-of-audit. The same responsibilities apply to the audit of the SFCR.

Use of Our Report

This report is made solely to the General Manager of the Branch in accordance with Rule 2.1 of the External Audit Chapter of the PRA Rulebook for Solvency UK firms. Our work has been undertaken so that we might report to the General Manager those matters that we have agreed to state to them in this report and for no other purpose. To the fullest permitted by law, we do not accept or assume responsibility to anyone other than the General Manager, for our work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

In accordance with Rule 4.1 (3) of the External Audit Chapter of the PRA Rulebook for Solvency UK firms we are required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of the Branch's financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Rel Integral Accounting and Auditing Limited

Rel Integral Accounting and Auditing Limited
Chartered Certified Accountants and Statutory Auditors
65 Delamere Road, Hayes, Middlesex, England, UB4 0NN

Date: 13 July 2026

A. Business and Performance

A.1 Business

General information:

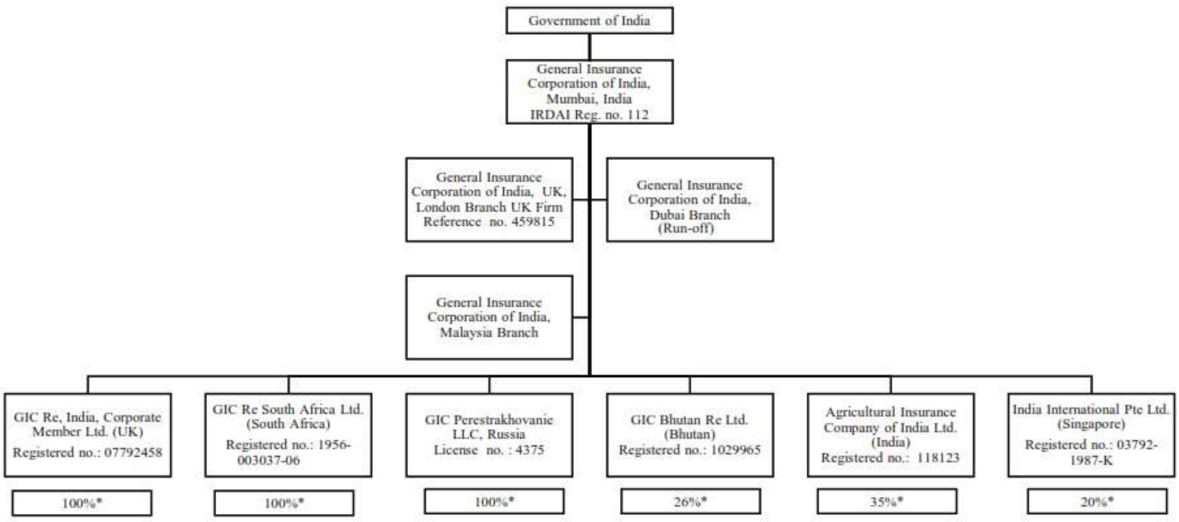
The General Insurance Corporation of India ("GIC Re, India") was incorporated in 1972 under the Indian Companies Act, 1956 and was formed for the purpose of superintending, controlling and carrying on the business of general insurance. GIC was wholly owned by the Government of India until it made an IPO in October 2017 to sell a 14.22% stake in the company to the public on the BSE and the NSE. GIC Re, India has branches in the UK, Dubai, and Malaysia.

General Insurance Corporation of India (UK Branch) ("GIC Re, UK" or the "Branch") is classified as a third country branch in the UK and only underwrites reinsurance contracts. GIC Re, UK operates from London and the UK registered address is 40 Lime Street, 3rd Floor, London, EC3M 7AW.

GIC Re, UK has been operational since 2008.

As a reinsurer in the domestic reinsurance market, GIC Re, India provides reinsurance to direct general insurance companies. GIC Re, India receives statutory cession of 4% on each and every policy subject to certain limits. It leads many of domestic companies' treaty programmes and facultative placements.

The group structure diagram below presents the material identities of and legal links between GIC Re, UK, its parent and related undertakings:



*Percentage of Share capital and Voting rights

Below is a list of Companies which GIC Re, India has less than 20% shareholding:

Company name	Holding of share capital and voting rights	Country
East Africa Reinsurance Co. Ltd	14.75	Kenya
Asian Reinsurance Corporation	7.13*	Bangkok
Kenindia Assurance Co. Ltd	13.75	Kenya
Tune Insurance Malaysia Berhad (Previously known as 'Oriental Capital Assurance Berhad')	1.54	Malaysia

**This includes 6.16% GIC Re, India holding, & 0.97% holding on behalf of the Government of India.*

GIC Re, UK is subject to regulation by the PRA and FCA.

The supervisory authority of the Branch is the PRA. Contact details of the PRA are:

Prudential Regulation Authority
Bank of England
Threadneedle Street
London
EC2R 8AH

The independent auditors of the Branch are:

Rel Integral Accounting and Auditing Limited
65 Delamere Road,
Middlesex
UB4 0NN
Date: 13 July 2026

Business overview:

GIC Re, UK writes marine, non-marine treaty and facultative business in the following territories:

- UK & European Union Countries, Excluding Greece, Cyprus, and Turkey,
- Caribbean Islands,
- Mexico,
- Brazil;
- Argentina,
- South Africa, and
- Canada

For Solvency II purposes GIC Re, UK's business falls under the following lines of business:

- Marine, aviation and transport insurance and proportional reinsurance,
- Fire and other damage to property insurance and proportional reinsurance,
- Non-proportional marine, aviation and transport reinsurance; and
- Non-proportional property reinsurance.

A.2 Underwriting Performance

As indicated in Section A1, GIC Re, UK underwrites reinsurance business. The underwriting performance by class of business for the year ended 31st March 2026 and 31 March 2025 was as follows:

Underwriting performance by class of business

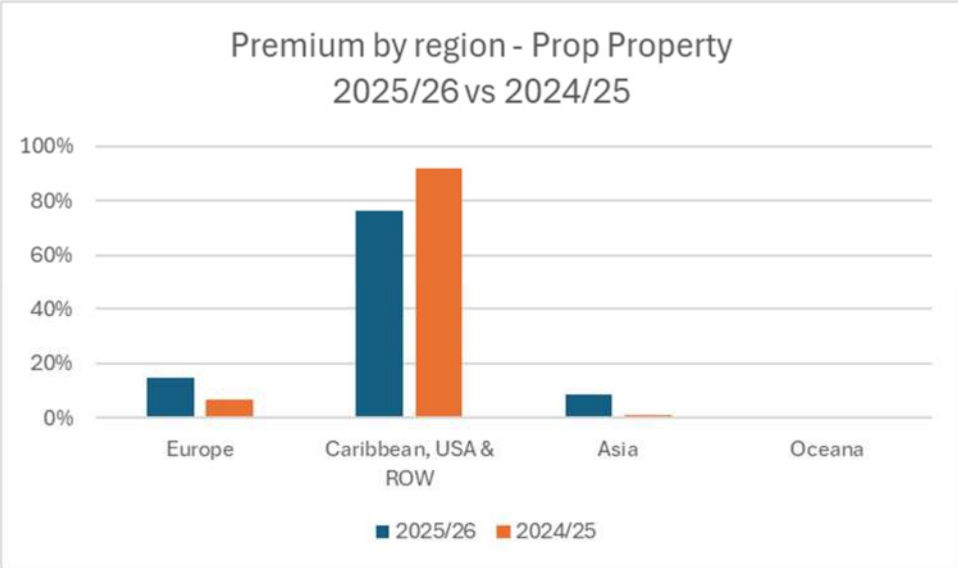
2025/26 - $000's	Gross Premiums Written	Gross Premiums Earned	Gross Claims Incurred	Net Operating Expenses	Reinsurance Balance	Total
Prop Marine, aviation and transport	77,568	77,574	76,119	6,207	13,172	-17,924
Prop Fire and other damage to property	97,226	100,415	43,119	12,340	46,367	-1,411
Non-proportional marine, aviation and transport	614	639	13	87	0	539
Non- proportional Property	56,446	58,933	22,251	3,006	35,637	-1,961
Total	231,853	237,562	141,502	21,641	95,176	-20,756

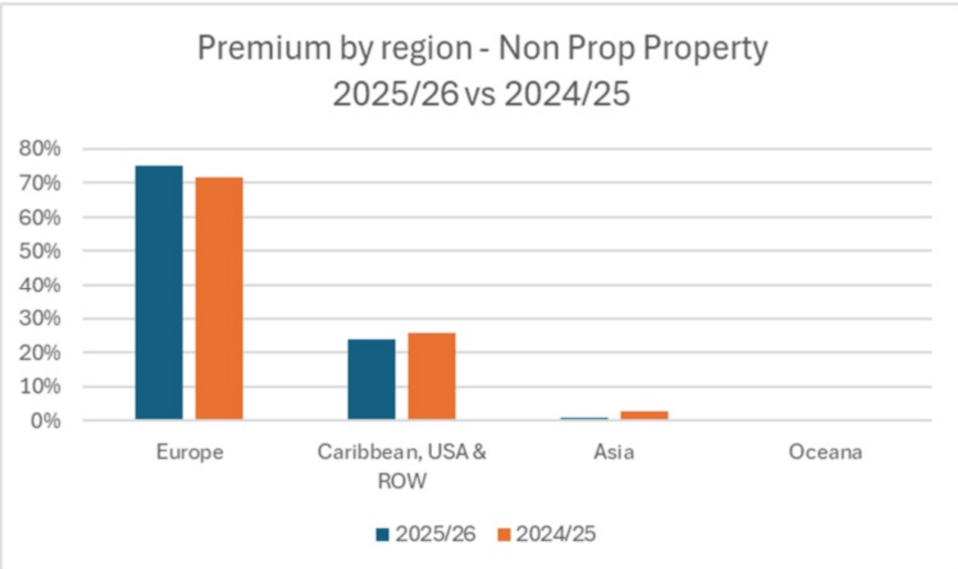
2024/25 - $000's	Gross Premiums Written	Gross Premiums Earned	Gross Claims Incurred	Net Operating Expenses	Reinsurance Balance	Total
Prop Marine, aviation and transport	58,019	57,737	48,482	4,195	16,911	-11,852
Prop Fire and other damage to property	74,249	71,608	34,612	8,516	33,626	-5,147
Non-proportional marine, aviation and transport	1,078	-1,001	660	101	80	-1,841
Non- proportional Property	64,182	62,302	30,490	7,618	21,293	2,901
Total	197,527	190,645	114,244	20,430	71,910	-15,939

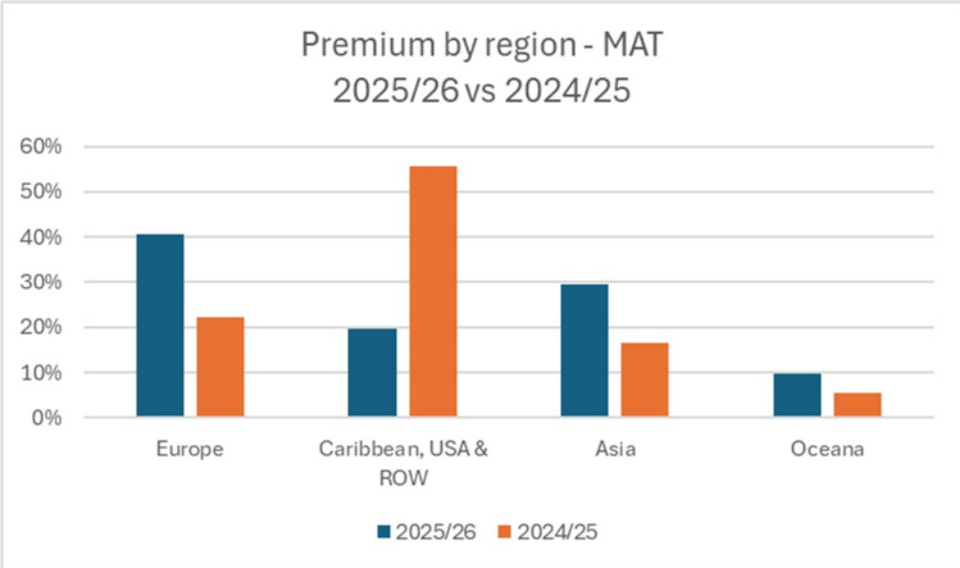
The Branch achieved an overall growth of 17.38% in gross written premium (with a net reduction in net written premium of 20.84%) compared to the year before owing to an increase in fronting arrangements for other GIC international Branches.

The charts below show the gross premiums ($ 000) written by geographical area for the years ended 31st March 2026 and 31st March 2025.

Underwriting performance by geographical area







MAT business is not bifurcated between proportional and non-proportional in the chart above given it is by its nature worldwide.

A.3 Investment performance

Investment Income	2025/26 $000	2024/25 $000
Income from deposits with credit institutions and cash at bank and in hand	20,160	22,210

The Branch does not hold any investments other than fixed deposits, which have been classified as cash and cash equivalents within the SII balance sheet. The income for the year relates to the interest income received on these deposits which continued to benefit from strong yields during 2025/26.

A.4 Performance of other activities

Net operating expenses

	2025/26			2024/25		
	Gross $'000	Reinsurance $'000	Net $'000	Gross $'000	Reinsurance $'000	Net $'000
Acquisition Costs	50,892	31,642	19,250	40,028	21,529	18,499
Operating Expenses	2,391	-	2,391	1,931	-	1,931
	53,283	31,642	21,641	41,959	21,529	20,430

The Branch succeeded in binding the business at lower net cost compared to previous years.

Other income/(expenses)

	2025/26 $000	2024/25 $000
Exchange (loss)/gain on cash settlements and fixed deposits on maturities during the year and retranslation of closing balance on Statement of Financial positions at closing rates	3,904	1,868
Exchange (loss)/ gain on revaluation of closing balances of cash and cash equivalents at closing rates	890	9,434
	4,794	11,302

Amid macroeconomic exchange rate volatility during 2025/26, the Branch recorded a foreign exchange loss driven by geopolitical developments. Despite a general downward trend in global investment yields, the Branch continued to generate healthy returns on its investment portfolio.

A.5 Any other information

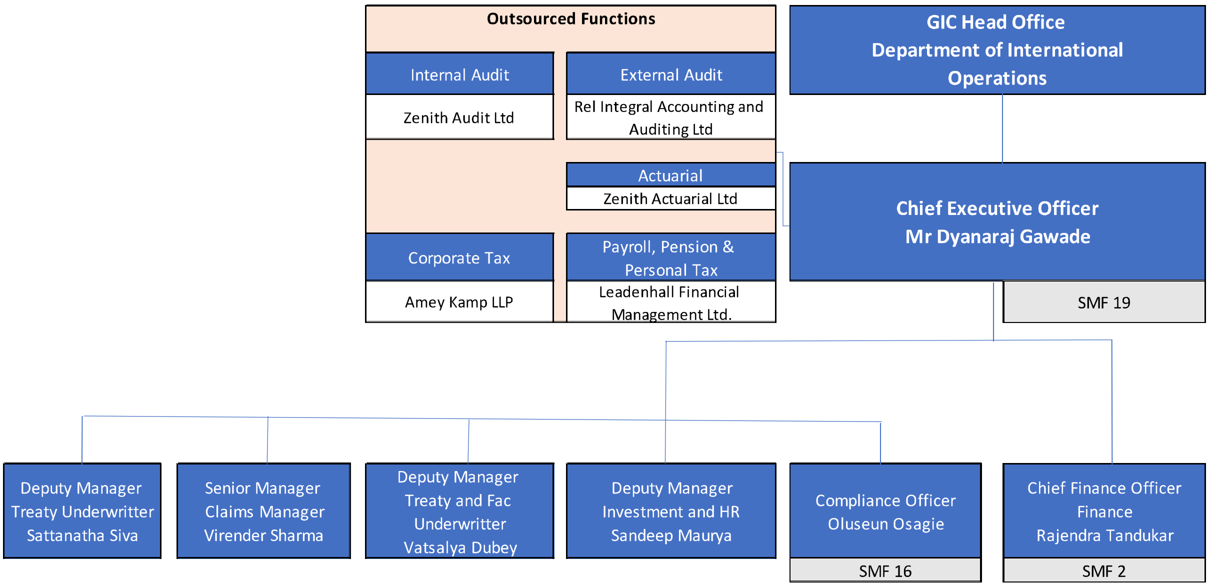
There are no other material matters to disclose in respect to the business or performance of the Branch.

B. Systems of Governance

B.1 General Information on the System of Governance

A Governance Map as required by the PRA's Senior Managers and Certification Regime ("SMCR") is maintained by the Branch. This outlines the responsibilities of individuals and the systems of internal of the Branch and the holders of specific responsibilities detailed by the SMCR regime.

The following chart provides an overview of the current organisational diagram of the Governance of the Branch:



The senior members of the Executive Management team at 31st March 2026 are:

Dyanaraj B. Gawade (Chief Executive Officer – UK Branch) - SMF19.

The Branch CEO is supported by the Chief Finance Officer, Rajendra Tandukar who holds the Chief Finance role (SMF2) and by Compliance Officer, Oluseun Osagie who holds the Compliance Oversight role (SMF16).

Staff are remunerated on a fixed basis with no variable remuneration. There were a total of seven employee's for the Branch, five of which have been seconded from GIC Re, India. Employees from GIC Re, India are governed by the Mumbai GIC Pension Policy, with the remaining employees having the option to opt into the pension scheme provided by the Branch.

GIC Re, UK's system of governance is considered to be appropriate, taking into account the nature, scale and complexity of the risks inherent in the Branch.

B.2 'Fit and Proper' requirements

The following factors are taken into account when deciding whether an individual is fit and proper:

- honesty, integrity and reputation;
- relevant experience;
- competence and capability; and
- financial soundness.

There is an extensive selection process for the Branch Manager ("Branch CEO") which encompasses the assessment of the individual being fit and proper.

The Branch Manager is elected following the process below:

- Elected to apply based on seniority and experience in reinsurance
- Subject to panel interview conducted by senior officials
- Elected based on recommendation of the panel interview

B.3 Risk Management System including the Own Risk and Solvency Assessment

Risk management system

GIC Re, UK adopts a medium to low-risk appetite when determining the acceptability and management approach to risk.

GIC Re, UK seeks to manage its business in a sensible, considered, and common-sense manner whilst taking sufficient risks to develop the business and compete successfully against other organisations. So, taking risks is necessary, but taking unnecessary or ill-judged risks in areas GIC Re, UK do not fully understand is not. GIC Re, UK will continue to act with prudence in its business activities and approach.

The risk appetite statements are refined by the Branch Manager to set threshold limits on the amount of risk GIC Re, UK should accept. The risk appetite is directly linked to business strategy and the principal risks to which GIC Re, UK is exposed. Any changes to business strategy as a result of the strategic review are reflected in the risk appetite statements as necessary over the planning period. These will be a mixture of quantitative and qualitative measures.

The current risk appetite of GIC Re, UK is shown below:

Risk Category	**Risk Appetite**
Liquidity risk	To meet cash flow requirements by holding cash to cover projected operating expenses.
Credit risk	No material credit exposures in its day-to-day operation.
Reserve risk	To hold sufficient and immediately realisable funds to cover the best estimate of future claims on past contributions.
Insurance/Broker risk	Maintain a good relationship with Insurers and Brokers of good repute and financial strength by monitoring their performance, or making alternative appointments, if appropriate.

Reputational Risk	No appetite for negative press on products and services impacting GIC Re, UK's reputation.
Regulatory Risk	Zero appetite for regulatory risk.

The risks faced by the Branch are identified and monitored as set out in the risk register. Each risk is given a risk score based on likelihood and financial impact. The control assessment forms part of the risk register and is monitored on an ongoing basis.

Own Risk and Solvency Assessment

The ORSA is viewed as integral to the business strategy and is carried out through the processes and procedures employed to identify, assess, monitor, manage and report the short, medium and long-term risks. This forms the basis of determining the own funds necessary to ensure that the undertaking's overall solvency needs are met at all times with an acceptable level of confidence.

The ORSA process below reflects the nature, scale and complexity of GIC Re, UK and identifies the key activities that support the ORSA for GIC Re, UK as well as incorporating the requirements of the ORSA Policy.

1. The Branch Manager reviews and updates the Risk Register alongside the development of the four-year financial plan to evaluate whether GIC Re, UK's risk profile may change as a result of implementation of the business strategy or of other potential external factors impacting the business during the planning period.
2. The Branch Manager reviews risk appetite to inform a review of business strategy. Any deviations outside the agreed risk appetite are highlighted for management action.
3. The Chief Accountant supported by external actuarial consultants performs stress and scenario analysis with the support of the Executive, based on the revised business strategy and outline budget, and any emerging risks identified associated with these. This exercise evaluates the occurrence of unexpected plausible extreme events (stress testing) and the impact of two or more extreme events occurring within a short period of time (scenario testing) on the available capital, as well as scenarios that could lead to the insolvency of GIC Re, UK.
4. The Standard Formula is used for the calculation of solvency requirements for the quantifiable risks in the ORSA and shall be carried out by the Actuarial Function. The Executive review the SCR and solvency projection against the conclusions of the stress and scenario analysis to identify if there are any capital adjustments required for non-quantifiable risks, risks that have been overstated by the Standard Formula and risks that have not been included in the Standard Formula.
5. Executive management conclude whether there should be any changes to the capital held over the planning period and whether additional capital needs to be raised or risk exposures reduced by the utilisation of risk transfer strategies. All these conclusions are documented in the ORSA report for Executive review and approval, and regulatory submission.

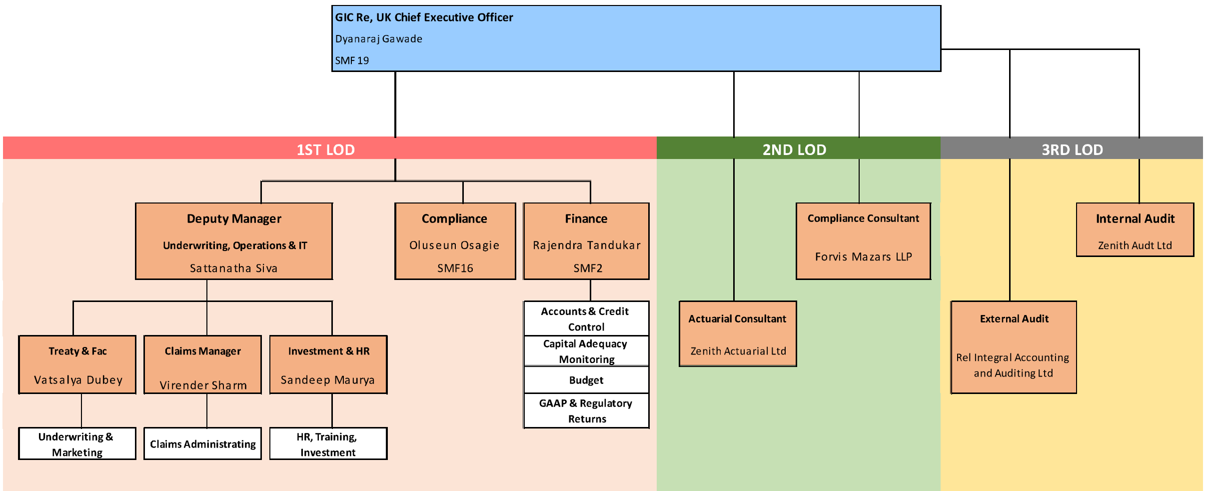
The ORSA is a continuous process that generates outputs for senior management on a regular basis. The annual ORSA report is provided to the PRA annually and as required in accordance with regulatory requirements.

The process around risk management acts as a method for identifying capital adequacy requirements and business growth strategies. The risk register is reviewed on a continuing basis and encompasses current and emerging risks.

Identified risks are added to GIC Re, UK's risk register and then assessed on probability and utilising a 5x5 heat map which results in an 'inherent risk' rating. Controls are identified and any further mitigation requirements are considered.

B.4 Internal Control System

The Internal Control System is based on a 'three lines of defence' approach as illustrated below:



The First Line of Defence is the responsibility of senior management. This involves day-to-day risk management, in accordance with risk policies, appetite and internal controls at the operational level.

The Second Line of Defence concerns those responsible for risk oversight and risk guidance. As well as monitoring reports, they are responsible for risk policies and risk processes and control design.

Third Line of Defence is independent assurance to the Chief Executive Officer of GIC Re, UK and senior management of the effectiveness of the risk management processes.

B.5 Internal Audit Function

The internal audit function for the Branch is carried out by Zenith Audit Ltd. The scope of internal audit is determined with reference to the Risk Management Framework adopted by the Branch and the business plan for the forthcoming period.

The internal audit scope is divided into the following two categories:

1. Transactions and Compliance Audit
2. Spot Checks
3. Special Audits

Transactions and Compliance Audit

This audit is performed on an on-going basis to ensure that the underwriting and claims settlement processes are in compliance with the underwriting and claims guidelines and manuals applicable to the Branch. Audits are also carried out to ensure that accounting systems and procedures are followed.

Spot Checks

Spot checks are performed to confirm adherence to basic controls, defined policies/ practices and guidelines and/or specific management directives. These are very specific designed to provide assurance regarding ongoing adherence to agreed policies and procedures. There are three rounds of spot checks in the year – each time covering one to two specific areas.

Special audits

Special audits, are performed on a one-time basis to evaluate the controls, the risk exposure and the operational efficiency. The focus of assessments falls into the following areas:

- Internal controls
- Operational efficiency
- Systems and procedures
- Documentation
- Accounting
- Risk exposure

Special audits cover the selected function/area in depth to provide a comprehensive analysis of the current processes and policies to identify gaps with reference to documented policies and/or best practices.

B.6 Actuarial Function

The Actuarial Function is overseen by the Branch CEO and the Appointed Actuary at GIC Re India. The Branch uses the services of external actuarial consultants, Zenith Actuarial Ltd ("Zenith"). GIC Re, UK believes that the internal staffing and the professional services provided by Zenith are appropriate for the nature, scale, and complexity of the risks to which the Branch is exposed.

During the year the Actuarial Function coordinated the calculation of technical provisions; ensured the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions; assessed the sufficiency and quality of the data used in the calculation of technical provisions; compared best estimates against experience; informed the executive management of the reliability and adequacy of the calculation of technical provisions; oversaw the calculation of technical provisions. These activities contributed to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements.

B.7 Outsourcing

A summary of GIC Re, UK's outsourcing arrangements is outlined below:

Outsourced Provider	Service Outsourced	Jurisdiction
Zenith Actuarial Ltd	Actuarial and regulatory reporting support	UK
Forvis Mazars	Regulatory compliance support	UK
Zenith Audit Ltd	Internal Audit	UK
Rel Integral Accounting and Auditing Ltd	External Audit	UK
Amey Kamp LLP	Corporate Tax	UK
Leadenhall Financial Management Ltd	Payroll, Pension and Taxation	UK
Moore Pay	Human Resources	UK
AITS Solutions	Information Technology	UK

The Branch has put in place policies and procedures to ensure the outsourced services are monitored and reviewed on a regular basis. Refer to the organisation chart provided in section B1 above for an overview of key management staff and their responsibilities

B.8 Any Other Information

There are no other material matters to disclose in respect to the systems of governance of the Branch.

C. Risk Profile

The process around risk management acts as a method for identifying capital adequacy requirements and business growth strategies. The risk register is reviewed on a continuing basis and encompasses current and emerging risks.

Identified risks are added to GIC Re, UK's risk register and then assessed on probability and utilising a 5x5 heat map which results in an 'inherent risk' rating. Controls are identified and any further mitigation requirements are considered. Managers review effectiveness of the controls and to establish appropriate residual risks ratings. These are then compared to the risk appetite and a decision made as to whether additional controls are required.

Management of individual risks, aggregated risk exposures and concentration risk exposures within and across these key risk categories is a key objective of the risk management program.

C.1 Underwriting Risk

The underwriting risk encompasses the insurance risk which refers to the risk of loss arising from the inherent uncertainties about the occurrence, amount and timing of insurance liabilities and premiums.

Risk identified

There is a risk that appropriate procedures are not in place to allow proper monitoring of the application, management and effectiveness of the company-branch reinsurance programme.

Techniques used to mitigate risk and the process of monitoring

The Branch purchases the required reinsurance programme in order to protect its' exposure within its' risk appetite.

Risk identified

There is a risk that reinsurance recoveries are not processed in a timely and complete manner.

Techniques used to mitigate risk and the process of monitoring

- Reinsurance recoveries are monitored from RI by ensuring:
    - the ability to identify and recover any money that it is due in a timely manner,
    - that it makes adequate financial provision for the risk that it is unable to recover any money that it expected to be due, as a result of either a dispute with or a default by the reinsurer/risk transfer provider.

C.2 Market Risk

Market risk refers to the risk that arises from fluctuations in values of or income from assets, in interest rates or in exchange rates.

Risk identified

Unusual external events and abnormal market conditions could result in near catastrophic breakdown of financial institutions, interest rates, foreign exchange rates, equity markets, non-availability of credit, economic deflation and stagnation. This would negatively impact GIC

Re, UK's technical and investment performance thus affecting growth, profitability, and solvency.

Techniques used to mitigate risk and the process of monitoring

- The Solvency position is monitored throughout the year, including in regular returns submitted to the PRA.
- Monitoring of Insurance risk consequent to market risks and any material changes (severity and frequency), in business revenues, claims ratios, and expense ratios.
- Monitoring of impact of market, insurance, and credit risks on capital adequacy.
- Monitoring market developments and information in abnormal market conditions, for potential insolvencies / administration / Government intervention etc. related to banks/financial institutions, for exercising withdrawal options in view of limited regulatory guarantees on bank deposits
- Monitoring Euro zone developments closely (circa 29% of annual revenue, excluding UK), for negative market information on potential bank insolvencies, sovereign debt issues, severe spending cuts combined with economic recession, weakening Euro / other non-Euro currencies within Euro zone, potential re/insurer downgrades (cedant and reinsurer exposure)
- Capital injection from GIC Re, India if/as required.

C.3 Credit Risk

Credit risk refers to the risk of loss if another party fails to perform its obligations or fails to perform them in a timely fashion.

Risk identified

There is a risk that inadequate levels of diversification result in concentration of credit risk with one or few reinsurers resulting in increase of financial impact in case of reinsurer insolvency.

Techniques used to mitigate risk and the process of monitoring

- Ensuring a maximum concentration limit of 20% with any one reinsurance counterparty,
- The annual RI programme is finalised by GIC Re, India after approval by the Board and ensures compliance with Regulatory guidelines,

Risk identified

There is a risk that claims recoveries and/or cover renewals are delayed due to reinsurer insolvency, merger or acquisition. There is a further risk that the reinsurer(s) credit rating is downgraded below an acceptable rating standard requiring review/replacement with suitable reinsurer which might result in the protection being more expensive.

Techniques used to mitigate risk and the process of monitoring

- Reinsurance cover with reinsurers having minimum credit rating (as specified by regulators) and in compliance with company's reinsurer criteria.
- Consideration given to market reputation and credit rating of the reinsurer when purchasing RI programme.

- Continuous monitoring of credit rating/ market information/ financial position of reinsurers.
- Assessment of the claims payment record of reinsurer(s).
- Aged analysis of outstanding recoverable by reinsurer and contract.
- Escalation to management where necessary.
- Adjustments from premium payable to reinsurer wherever possible.

C.4 Liquidity Risk

Liquidity risk refers to the risk that sufficient financial resources are not maintained to meet liabilities as they fall due.

Risk Identified

There is a risk that liabilities fall due earlier than expected requiring premature encashment of fixed deposits and result in loss of interest income. Further, inflows from the realisation of assets (at either maturity or time of sale) are less than anticipated because of the crystallisation of credit risk or market risk which may result in insufficient funds.

Techniques used to mitigate risk and the process of monitoring

Fixed Deposits are held with various maturity dates. Assessment of the Branch liabilities is carried out in context of the liquidity risk by taking into account:

(1) type of insurance business;
(2) past history of volatility in the pattern of claims payment;
(3) options available to policyholders and the circumstances in which they are likely to be exercised;
(4) options available to the insurer and any incentive for the insurer to exercise them;
(5) the principal amount to be received on a particular date will be known even if the interest is at risk;
(6) any relevant requirements to deposit collateral either with the insured (or cedants) under terms of the insurance Treaty or by requirements of overseas regulators as a condition for covering risks in a particular territory; and
(7) other cash flow needs of the business.

Expected profits included in future premiums (EPIFP) is $1.7m as at 31st March 2026 (2024/2025 $1.6m) and represents the inclusion in technical provisions of premiums on existing (in-force) business that will be received in the future, but have not yet been received.

C.5 Operational Risk

This refers to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.

Risk identified

There is a risk that an appropriate insurance risk management system is not established and/or maintained. There is a further risk that Branch policy for insurance risk, including its risk appetite and how it is identified, measured, monitored and controlled is not documented.

Techniques used to mitigate risk and the process of monitoring

- There are established and defined insurance risk policies within the underwriting guidelines provided by GIC Re, India. This includes: Rules and guidance and levels of capacity, Classes and characteristics of insurance business.
- The Global solvency position is reviewed on an annual basis.

Risk Identified

There is a risk that delays occur in responding to, or acceptance of, proposals received, on account of time and resources, resulting in potential loss of business.

Techniques used to mitigate risk and the process of monitoring

- Process guidelines provide for response within 48 hours,
- Annual General Meeting review of business,
- Managers review flow of business daily,
- Risk acceptance spreadsheet maintained for control of business received/ accepted,
- Average time taken for each proposal can be tracked,
- All underwritten business entered into 'SAP' software.

Risk Identified

There is a risk that disruption occurs in server/ email provider/ LIRMA/ RMS system/ other resulting in interruption, delay and/or loss of data.

Techniques used to mitigate risk and the process of monitoring

- Business Continuity / Disaster recovery plans are in place
- External consultant is employed to maintain hardware
- SLA in place to maintain software
- There is a central server in India and can be used as back up if there is a failure in the Branch's system
- Data is backed up on a regular basis and kept off site
- Hardcopies of important reports are kept
- IT system failure log is maintained

Risk Identified

There is a risk that errors in software system(s) result in inaccurate processing, production of inaccurate transactional information, incorrect accounts, and reports of management information.

Techniques used to mitigate risk and the process of monitoring

- There is segregation of front and back office functions
- Regular reconciliation of financial data is carried out which would identify transactional errors.
- Internal procedure of monthly reconciliation ensures early redressal of issues.
- Internal audit findings aid in monitoring this risk.
- There are systems security surrounding access to information.
- Software related failure log is maintained (Type - period- value - volume - impact)

Risk Identified

There is a risk that the system does not produce required level of Business analytics/ Management Information (MI) for regulatory reporting/ Risk based MI/ aggregate monitoring functions. This would result in inadequacies in assessment of risks, potential breach of risk limits, resulting in unviable risk exposures, potential failures of systems and controls, financial and reputational loss.

Techniques used to mitigate risk and the process of monitoring

- Alternative processes used for such requirements
- Phased Updating of the Software intended to include required functions

C.6 Other Material Risks - Group reinsurance

Risk Identified

There is a risk that reinsurance cover is exhausted by other areas of the group due to shared elements of RI cover across other operational centres.

Techniques used to mitigate risk and the process of monitoring

- Centralised monitoring of reinsurance recoveries by GIC Re, India.
- Reporting on updated Reinsurance claims.
- GIC Re, India monitor reinstatements and back-up or top-up covers.
- Gradual rationalisation of the RI programme.
- Separate structures and limits by territories (allocated to each of the operational units), limiting and/or minimising the risk arising from the shared RI protection.

C.7 Stress Tests

The reverse stress test is designed under Standard Formula to identify the most probable stress that GIC Re, UK could experience which would threaten the viability of the reinsurance capabilities of GIC Re, UK.

GIC Re, UK considers additional stress scenarios that could be significant to its business, these are detailed in the company's annual ORSA Report. In summary, a few of the stress scenarios selected are set out below.

1. Growth in proportional MAT business with corresponding deterioration in performance
2. Business volumes grow faster than expected across all lines of business
3. Continued currency fluctuations driven by macroeconomic events
4. Reverse stress test including increasing frequency of CAT events due to climate change
5. Reverse stress test including Branch adopting a business growth strategy with underwriting deterioration
6. Reverse stress test including portfolio loss ratio deteriorations
7. Reverse stress test including stressing a weakened global economy leading to Bank default
8. Reverse stress test including assessing the impact increasing inflationary pressures driven by conflict in the Middle East.

In addition, GIC Re, UK also conducts reverse stress tests (4-8) to assess the extent of the stresses necessary such that the excess capital over SCR becomes nil.

The above stress scenarios aim to assess the impact of extreme scenarios to which GIC Re, UK may be exposed.

Under each of the stress scenarios, the Branch would be able to recover from each outcome by taking management action. This was evidenced during 2017 when GIC Re, UK experienced hurricane losses which caused a temporary shortfall in own funds. GIC Re, UK received a capital injection from its head office, GIC Re, India, and are well placed to meet policyholder liabilities with a 99.5% confidence level.

D. Valuation for Solvency Purposes

D.1 Assets

The following table provides a comparison of the valuation of assets in GIC Re, UK's Branch Accounts for the year ended 31st March 2026 ("Branch Accounts") compared to the valuation for Solvency UK purposes shown on the Solvency UK Balance Sheet. The Branch Accounts have been prepared in accordance with the Financial Reporting Standard 102 'The reporting standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the recognition and measurement principles of Financial Reporting Standard 103 – 'Insurance Contracts' ('FRS 103') with the exception that the unearned premium reserve and deferred acquisition costs that are contracted in a foreign currency have not been retranslated into the functional currency of the branch using the closing rate at the balance sheet date. The unearned premiums reserve and deferred acquisition costs are not part of the Solvency UK Balance Sheet (see further details regarding Solvency UK adjustments below).

Note that throughout this report figures are presented in USD amounts unless otherwise stated. This is to align with internal group standards and reporting.

	As at March 2026*			As at 31st March 2025*		
Asset Items $'000	**Branch**	**Solvency UK**		**Branch**	**Solvency UK**	
	Accounts Valuation	**Valuation Adjustment**	**Solvency UK Valuation**	**Accounts Valuation**	**Valuation Adjustment**	**Solvency UK Valuation**
Deferred acquisition costs	6,982	-6,982	-	7,635	-7,635	0
Deferred tax asset	2,050	-2,050	-	-	4,528	4,528
PPE	28	-	28	20	0	20
Reinsurance recoverables	94,971	52,016	146,987	57,794	30,137	87,931
Deposits to cedants	26,804	-	26,804	25,122	-	25,122
Insurance and intermediaries receivables	77,779	-34,220	43,560	66,352	-36,651	29,701
Cash and cash equivalents	505,061	-	505,061	429,507	0	429,507
Other assets	84	-	84	3,745	0	3,745
Total assets	**713,759**	**8,764**	**722,523**	**590,175**	**-9,621**	**580,554**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31st March 2025 this rate is 1.2945.*

An explanation of the adjustments made to arrive at the Solvency UK valuation is provided in the paragraphs below.

Deferred acquisition costs

On a Branch Accounts basis, certain costs incurred related to the production of business have been deferred. These costs include direct and indirect expenses related to underwriting, marketing and policy issuance. Acquisition costs which relate to a subsequent financial year are deferred and charged or credited to the accounting periods in which the related premiums are earned. Deferred acquisition costs represent the proportion of acquisition costs incurred that corresponds to the proportion of premiums written which are unearned at the balance sheet date.

Deferred acquisition costs are not an asset on the Solvency UK Balance Sheet as acquisition costs are included within the cash flow model for technical provisions.

Deferred Tax asset (DTA)

The DTA arises from deductible temporary differences within the UK GAAP Balance Sheet. Assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

The deferred tax asset is offset against the deferred tax liability, where the Branch has a legally enforceable right to offset current tax assets against current tax liabilities and where the deferred tax balances relate to income taxes levied by the same taxation authority. Accordingly, the deferred tax asset has been presented net against the deferred tax liability (Section D.3).

Reinsurance recoverables

The Solvency UK balance sheet reinsurance recoverable asset figure is the discounted best estimate of expected reinsurance claim recoveries. For the purposes of the Branch accounts, claims reserves and premium reserves are shown on a net of reinsurance basis. For Solvency UK purposes, gross technical provisions and reinsurance recoverables are shown separately.

Insurance and intermediaries receivables

On a Branch Accounts basis insurance and intermediaries receivables are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at realisable value, less any provision for impairment.

Amounts that are receivable within one year are measured at the undiscounted amount of the amount expected to be receivable, net of any impairment.

Insurance and intermediaries receivables are not an asset on the Solvency UK Balance Sheet, unless past due, as amounts receivable are included within the cash flow model for technical provisions as they are due at a future date beyond the valuation date of the Solvency UK Balance Sheet. The valuation adjustment reflects this.

Cash and cash equivalents

On a Branch Accounts basis cash and cash equivalents comprises cash on hand and demand deposits with banks, including any accrued interest as at the valuation data, which are exchangeable for currency on demand at par and which are directly usable.

Other assets

On a Branch Accounts basis, other assets consists of prepayments (prepaid expenses), advances to directors/officers and sundry creditors.

These assets are not a separate asset on the Solvency UK Balance Sheet and are included within ‘Any other assets, not elsewhere shown’.

D.2 Technical Provisions

On the Branch Accounts, technical provisions represent the unearned premium reserve and claims outstanding.

The provision for unearned premiums comprises the amount representing that part of gross premiums written which is estimated to be earned in the subsequent financial years, computed for each insurance contract using the 365th method in case of facultative and non-proportional treaties and 1/8th basis in case of proportional treaties. The change in this provision is taken to profit and loss so that revenue is recognised over the period of the risk. A similar computation is made in respect of the reinsurer's share of unearned premium reserve.

Claims outstanding comprise of outstanding loss reserve estimates gross and net of reinsurance. Claims incurred but not reported (IBNR) provision is included on a net of reinsurance basis.

Claims IBNR is derived using standard actuarial techniques and industry benchmarks.

Technical Provision calculation methodology under Solvency UK

Technical Provisions under Solvency UK are determined as the sum of the discounted best estimate liabilities and a risk margin.

Best Estimate of Technical Provisions

Calculation of technical provisions is split into claims provisions (relating to events which occurred before the valuation date) and premium provisions (relating to events which are expected to occur after the valuation date which are covered under bound contracts). The claims and premium provisions are the discounted best estimate of all future cash flows (claim payments, expenses and future premiums) arising from the Branch's obligations. The methodology adopted is designed to comply with the Delegated Acts which state the following principles:

1. The best estimate shall correspond to the probability-weighted average of future cashflows, taking account the time value of money (expected present value of future cashflows), using the relevant risk-free interest rate term structure.
2. The calculation of the best estimate shall be based upon up-to-date and credible information and realistic assumptions and be performed using adequate, applicable and relevant actuarial and statistical methods.
3. The cash-flow projection used in the calculation of the best estimate shall take account of all the cash in- and out-flows required to settle the insurance and reinsurance obligations over the lifetime thereof.

The best estimate is calculated, in the first instance, for gross liabilities with reinsurance recoverables calculated separately.

Solvency UK requires estimates to be on a best estimate basis with no explicit margins for prudence.

Cash flow patterns are derived from the actuarial reserving exercise, and these are then used to calculate the discounted provisions on the Solvency UK balance sheet. The discounting is carried out using the PRA prescribed risk-free yield curves where available and the EIOPA prescribed risk-free yield curves otherwise.

Matching adjustment

The Branch does not apply a matching adjustment to the technical provisions.

Risk Margin of Technical Provisions

The risk margin is a calculation of the cost of capital that another insurer taking on the liabilities at the valuation date would require to manage the business on the basis of transferring the liabilities to a willing buyer. The risk margin is calculated as the sum of all non-hedgeable SCR risks, projected to each year in the future, discounted and using a 4% cost of capital.

The following risks are taken into account for the risk margin calculation:

- Non-Life Premium and Reserve Risk excluding risk on future business;
- Non-Life Catastrophe Risk;
- Non-Life Lapse Risk;
- Counterparty Default Risk in respect of reinsurance recoverables; and
- Operational Risk.

The risks listed above are projected in line with the Delegated Acts using level 2 and level 3 simplifications.

The net technical provisions at 31st March 2026 on the Solvency UK Balance Sheet are made up as follows:

2025/26 $'000	**Marine, Aviation and Transport**	**Fire and other damage to property**	**Non-prop Marine, Aviation and Transport**	**Non-prop property insurance**	**Total**
Best Estimate	69,513	15,537	1,330	67,887	154,267
Risk Margin	3,777	1,240	28	1,268	6,313
Total	**73,290**	**16,777**	**1,358**	**69,155**	**160,581**

2024/25 $'000	**Marine, Aviation and Transport**	**Fire and other damage to property**	**Non-prop Marine, Aviation and Transport**	**Non-prop property insurance**	**Total**
Best Estimate	39,788	35,926	3,283	102,973	181,971
Risk Margin	2,264	2,044	187	5,858	10,353
Total	**42,052**	**37,970**	**3,470**	**108,832**	**192,324**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31st March 2025 this rate is 1.2945.*

Solvency UK and Branch Accounts valuation differences - technical provisions

The table below shows a reconciliation of the Branch Accounts valuation of technical provisions to the Solvency UK net technical provisions as at 31st March 2026.

$'000	**2025/26***	**2024/25***	**Movement**
Statutory Reserves (UPR + Claims Reserve)	**217,122**	**209,122**	**8,000**
Remove UPR	-37,750	-41,935	4,185
Net Claims on UPR	70,661	75,099	-4,438
Future Premiums	-75,604	-57,210	-18,394
(Profit)/Loss on BBNI	-1,427	-2,077	650
ENIDS	4,772	8,262	-3,490
Sol UK Experience Provision	1,767	3,237	-1,470

Counterparty Default Provision	307	152	155
Discounting	-25,287	-8,674	-16,613
Risk Margin	6,313	10,353	-4,040
Net Solvency UK Technical Provisions	**160,875**	**192,324**	**-31,449**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31st March 2025, this rate is 1.2945.*

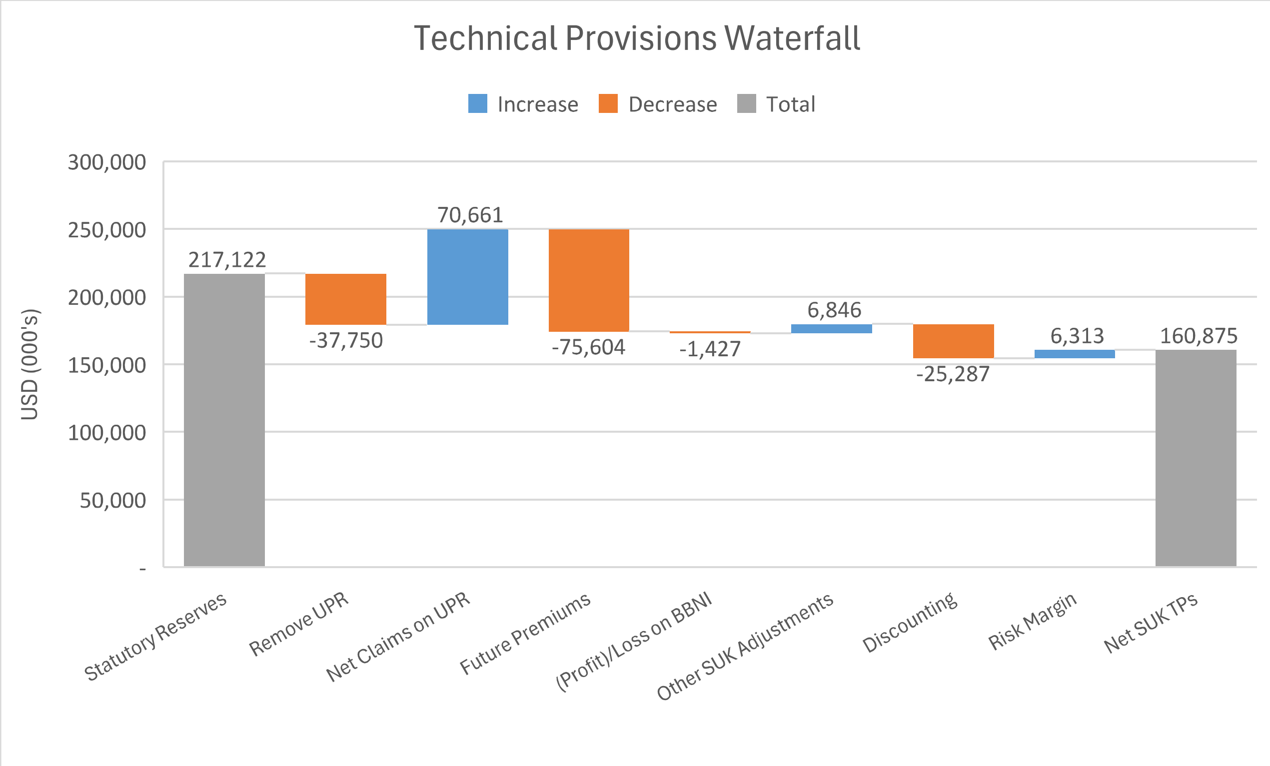
The Statutory reserves which are equal to the Technical Reserves in the Branch Accounts ($217,122k) have increased over the year mainly due to increase in claims reserve by $15,548k which are partially offset by the reduction in UPR.

The differences between the Branch Account valuation and Solvency UK valuation of Technical Provisions arise from:

- Removal of Unearned premium reserve (UPR) ($-37,750k) as it is also not an item in the Solvency UK valuation of Technical Provisions basis.
- Addition of expected claims on UPR ($70,661k), which replaces the Statutory UPR and is the best estimate of claims that will arise on unexpired exposures.
- Premiums receivable ($-75,604k) which represent the best estimate of future premium to be received in respect future premium on contractually bound insurance contracts. These have increased this year due to an increase in the insurance and intermediary receivables and the methodology to derive the future expected premiums was updated by GIC.
- Net cash-flows on future premiums and bound but not incepted premiums (BBNI) ($-1,427k) which is an item in the Solvency UK valuation of Technical Provisions and not one in the Statutory valuation.
- Allowance for events not in data (ENIDS) ($4,772k) which is an adjustment to the Statutory valuation of best estimate claims so as to reflect the full range of probability weighted loss scenarios as per the Solvency UK valuation of Technical Provisions basis - the Statutory valuation is on a reasonably foreseeable basis.
- Solvency UK expense provision ($1,767k) which provides a reserve for the expense of running off the claims in the Technical Provisions.
- Counterparty default allowance ($307k) which as per the Solvency UK valuation of Technical Provisions basis represents the expected loss arising from defaults of reinsurers.
- Discounting adjustment ($-25,287k) which allows for the time value of money of the future cash flows considered within the Solvency UK Technical Provisions. This has significantly changed due to the future cash flow pattern has changed where it is assumed that these future cashflows have longer duration (average duration of c.3 years compared to 1 year in the last year-end reporting).
- Add Solvency UK Risk Margin ($6,313k) which represents the cost of capital associated with running off the best estimate liabilities. This has been calculated using a 4% Cost of Capital in line with PRA guidance.

This results in a Solvency UK Net Technical Provision of $160,875k.

The graph below shows the bridging between Statutory Reserves and the net Solvency UK Technical Provisions (in $'000s):



**Note that in the table above the field 'Other Solvency UK Adjustments' refers to the Expense Provision, ENIDs and Counterparty Default Allowance under Solvency UK.*

The Branch does not have any approvals in place in relation to any Solvency UK transitional measures. The volatility adjustment referred to in Article 77d of the Directive has not been applied by the Branch.

Uncertainty associated with the valuation of technical provisions primarily arises from the extent to which future actual experience may differ from the best estimate assumptions used in the calculation of technical provisions.

An explicit allowance for Events Not in Data ("ENID") has been included within the technical provisions. For the year ended 31 March 2026, the Branch applied an ENID loading of 2.5% to the relevant premium provision cash-flow base, resulting in an ENID allowance of USD 4.7m, compared with USD 8.2m in the prior year.

The ENID allowance has been applied to the gross premium provision and the corresponding reinsurers' share of the premium provision. The reduction in the ENID allowance year on year is primarily driven by the reduction in the underlying premium provision cash-flow amounts to which the loading is applied. The movement is not directly comparable to the movement in the net premium provision, as the net premium provision also reflects future premium inflows and other cash-flow components. The ENID allowance was considered as part of the overall technical provisions review.

D.3 Other Liabilities

	As at March 2026*			As at 31st March 2025*		
Liability Item $'000	**Branch**	**Solvency UK**		**Branch**	**Solvency UK**	
	Accounts Valuation	**Valuation Adjustment**	**Solvency UK Valuation**	**Accounts Valuation**	**Valuation Adjustment**	**Solvency UK Valuation**
Deferred tax liability	-	-3,695	3,695	896	-896	-
Insurance and intermediaries payables	42,021	7,932	34,088	15,351	-15,351	-
Deposits from reinsurers	2,621	-	2,621	2,541	-	2,541
Any other liabilities, not elsewhere shown	-3,334	-	-3,334	1,151	-	1,151
Total Other Liabilities	**41,309**	**2,662**	**37,071**	**19,938**	**-16,247**	**3,691**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31st March 2025 this rate is 1.2945.*

Insurance and intermediaries payables
Age wise analysis is carried out for insurance payables which are due by the valuation date (31 March).

Insurance and intermediaries payables, which are due at a future date beyond the valuation date, are not a liability on the Solvency UK Balance Sheet as amounts payable are included within the cash flow model for technical provisions.

Deferred tax liability
The Solvency UK valuation basis resulted in net assets being higher than those reported under UK GAAP. This increase arises from valuation differences between the UK GAAP balance sheet and the Solvency UK balance sheet, reflecting the economic valuation of assets and liabilities for solvency purposes.

As the higher Solvency UK net asset position gives rise to taxable temporary differences, a deferred tax liability has been recognised to reflect the future tax expected to arise if those valuation differences were realised. As detailed in D.1, the deferred tax asset arising from temporary differences under the UK GAAP was netted off against the deferred tax liability.

D.4 Alternate Methods for Valuation

Alternative methods for valuation are not used by the Branch. Only prescribed methods are used and there are no material simplifications or material approximations applied beyond those listed.

D.5 Any Other Information

There is no other material information on the valuation for solvency purposes to be disclosed for the Branch

E. Capital Management

E.1 Own Funds

Objective, policies and processes of managing Own Funds

As a reinsurer, GIC Re, UK receives premium from reinsured(s) and it is incumbent upon the Branch to use and invest these monies wisely to increase profitability and ensure sufficient funds are available to meet financial obligations.

The income generated by such investment activity is a contributor to the Branch profit. The Branch manages its investments with a clear set of objectives and goals based on acceptable philosophy.

Objectives:

- Ensuring and maintaining liquidity to meet likely obligations
- Creating investment income to enhance and supplement the profitability of the Branch
- Ensuring preservation and safety as well as the value of the investible funds vis-à-vis inflation
- Growing the value of the funds
- Create capital buffer for any planned increased underwriting in future
- To ensure the requirements of Solvency UK as desired by the Regulators are met at all times

The table below shows the company's fixed deposit accounts with bank counterparties and amounts held with each alongside their credit rating profile as at the year-end:

Bank Counterparty	**Credit Ratings**		**Deposits held**	
	31st March 2026**	**31st March 2025****	**2025/26****	**2024/25****
Bank of India	BAA3	BAA3	107,854	46,912
HSBC	A1	A1	183,636	271,448
Union Bank of India	BAA3	BAA3	32,730	- 20
SBI	BAA3	BAA3	22,009	18,127
Natwest	A1	A1	- 810	1,533
Canara Bank	BAA3	BAA3	74,836	68,130
Punjab National Bank	BAA3	BAA3	26,100	23,377
Total			**446,355**	**429,507**

**Source: Moody's*
*** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31st March 2025 this rate is 1.2945.*

In addition the company holds current accounts with the same banks as mentioned above.

An analysis of Own Funds is shown below:

	Tier	$'000
Reconciliation reserve	1	377,591
Net deferred tax assets	3	0
Total basic own funds		**377,591**

	As at March 2026**			**As at 31st March 2025***		
Balance Sheet Item $'000	**Branch**	**Solvency UK**		**Branch**	**Solvency UK**	
	Accounts Valuation	**Valuation Adjustment**	**Solvency UK Valuation**	**Accounts Valuation**	**Valuation Adjustment**	**Solvency UK Valuation**
Property, Deposits with Cedants and other Assets	26,916	-	26,916	28,887	-	28,887
Cash and Cash equivalents	505,061	-	505,061	429,507	-	429,507
Deferred Tax Assets	2,050	-2,050	-	-	4,528	4,528
DAC	6,982	-6,982	-	7,635	-7,635	-
RI Recoverables	94,971	52,016	146,987	57,794	30,137	87,931
Insurance and Intermediary Receivables	77,779	-34,220	43,560	66,352	-36,651	29,701
Total Assets	**713,759**	**8,764**	**722,523**	**590,175**	**-9,621**	**580,554**
Technical Provisions (incl. Risk Margin)	312,093	-4,231	307,862	266,916	13,339	280,255
Insurance and Intermediary Payables	42,021	-7,932	34,088	16,247	-16,247	6,872
Deferred Tax Liability	-	3,695	3,695	-	-	-
Other Liabilities	-712	-	-712	3,691	-	3,691
Total Liabilities	**353,402**	**-8,469**	**344,933**	**286,855**	**-2,908**	**290,818**
Total Own Funds	**360,357**	**17,233**	**377,591**	**303,320**	**-6,713**	**289,736**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31stMarch 2025 this rate is 1.2945.*

The reconciliation reserve represents retained earnings and reconciliation adjustments from the Branch Accounts balance sheet to Solvency UK Balance Sheet.

The Branch has no Tier 1 restricted Own Funds (per Article 80 of the Delegated Regulations), no Tier 2 Own Funds (per Article 72 of the Delegated Regulations) and no Tier 3 Own Funds.

GIC Re UK's Own Funds are all unrestricted Tier 1. The Tier 1 Own Funds may be used towards meeting the SCR and MCR whereas the Tier 3 Own Funds cannot be used to meet the MCR.

The Branch Accounts Own Funds of GIC Re UK at 31st March 2026 were $360.4m (2024/25: $303.3m), compared to Solvency UK Own Funds of $377.6m (2024/25: $289.7m). The difference between the Branch Accounts and the Solvency UK Own funds primarily arises due to the difference in valuation of technical provisions as well as the adjustments made in respect of deferred acquisition costs discussed in Section D.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The SCR and MCR of the Branch are as follows:

$'000	**2025/26***	**2024/25***
SCR	189,843	176,090
MCR	47,461	44,023
Own funds to meet SCR	377,591	289,736
Own funds to meet MCR	377,591	285,208
SCR Coverage ratio	198.9%	164.50%
MCR Coverage ratio	795.6%	647.90%

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31stMarch 2025 this rate is 1.2945.*

The SCR is calculated using the standard formula. The final amount of the SCR is subject to supervisory assessment.

The main drivers of the increase in SCR are an increase in the man-made catastrophe risk due to the increase in the largest sums insured; and an increase in counterparty default risk, mainly due to an increase in amounts held with Type II counterparties and counterparties that are lower rated, with both Cash at Bank and Reinsurance Recoverables seeing a movement from A rated to BBB rated. These movements are partially offset by a decrease in the market risk mainly from currency risk which due to a decrease in the liability exposure from the lower TP.

The SCR of the Branch is made up of the risk modules as follows:

$'000	**2025/26***	**2024/25***	**Movement**
SCR Interest Rate	6,832	6,718	114
SCR Spread	-	0	-
SCR Currency Risk	13,737	20,898	-7,161
SCR Property	-	-	-
SCR Concentration	-	-	-
Total pre-diversification	**20,569**	**27,616**	-7,047
Less Diversification	3,767	4,120	-353
SCR Market risk	**16,802**	**23,496**	-6,694
SCR Counterparty	**63,490**	**50,614**	12,876

SCR U/W Risk	82,008	88,315	-6,307
SCR Cat Risk	86,914	73,784	13,130
SCR Lapse Risk	666	634	32
Total pre-diversification	**169,588**	**162,733**	6,855
Less Diversification	36,008	34,272	1,736
SCR Non-Life risk	**133,580**	**128,461**	5,119
Total	**213,872**	**202,571**	11,301
Less Diversification	34,168	34,577	-409
BSCR	**179,704**	**167,994**	11,710
SCR Operational Risk	**10,139**	**8,097**	2,042
SCR	**189,843**	**176,090**	13,752

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31stMarch 2025 this rate is 1.2945.*

Simplified calculations are used in the counterparty default risk to estimate the risk mitigating effect for reinsurance arrangements as allowed for in Article 107 of the Commission Delegated Regulations.

Undertaking specific measures have not been used by the Branch. The inputs to calculate the MCR are as follows:

MCR Component - $'000	**2025/26***	**2024/25***
AMCR	4,192	4,531
Linear MCR	32,981	39,280
SCR	189,843	176,090
Combined MCR	47,461	44,023
MCR	**47,461**	**44,023**

** As of 31 March 2026, values are converted using an exchange rate of GBP to USD at 1.3256. As of 31stMarch 2025 this rate is 1.2945.*

The Absolute Minimum Capital Requirement (“AMCR”) of €3.7m is the absolute floor for the minimum capital requirement which is provided in the technical specifications.

The linear MCR is calculated based on the technical provisions and the net written premiums of the last 12 months. The combined MCR is the linear MCR subject to a floor of 25% of the SCR and a cap of 45% of the SCR.

The overall MCR is the maximum of the combined MCR and the absolute floor for the MCR.

The 31 March 2026 Branch MCR is 25% of the SCR.

There are no material changes to the SCR and MCR over the reporting period other than those stated above.

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

The duration-based equity risk submodule is not applicable as the branch writes only non-life reinsurance business and holds no equity exposures.

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

This section is not applicable to the Branch as it does not have a PRA approved internal model.

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

The Branch has been in compliance with the SCR and MCR throughout the reporting period and expects to be in compliance with the requirements over the plan period.

E.6 Any Other Information

There is no further information to disclose in relation to the Branch's capital management.

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GIC Re

Appendix

Annual Quantitative Reporting Templates (QRTs)

General Insurance Corporation of India

Solvency and Financial Condition Report

Disclosures

31 March

2026

(Monetary amounts in USD thousands)

General information

Entity name	General Insurance Corporation of India
Third country branch name	General Insurance Corporation of India
Entity identification code and type of code	LEI/5493001L5RU4INMMUJ95
Type of undertaking	Reinsurance undertakings
Country of incorporation	IN
Language of reporting	en
Reporting reference date	31 March 2026
Regular/Ad-hoc submission	Regular reporting
Currency used for reporting	USD
Accounting standards	Local GAAP
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment

List of reported templates

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IR.02.01.02 - Balance sheet

IR.05.04.02 - Non-life income and expenditure : reporting period

IR.17.01.02 - Non-Life Technical Provisions

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	28
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	0
R0080	*Property (other than for own use)*	
R0090	*Holdings in related undertakings, including participations*	
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	0
R0140	*Government Bonds*	
R0150	*Corporate Bonds*	
R0160	*Structured notes*	
R0170	*Collateralised securities*	
R0180	*Collective Investments Undertakings*	
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	
R0210	*Other investments*	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	146,987
R0280	*Non-life and health similar to non-life*	146,987
R0315	*Life and health similar to life, excluding index-linked and unit-linked*	
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	26,804
R0360	Insurance and intermediaries receivables	43,560
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	
R0410	Cash and cash equivalents	505,061
R0420	Any other assets, not elsewhere shown	84
R0500	**Total assets**	722,523

	Liabilities	Solvency II value
		C0010
R0505	Technical provisions - total	301,548
R0510	*Technical provisions - non-life*	301,548
R0515	*Technical provisions - life*	0
R0542	Best estimate - total	301,548
R0544	*Best estimate - non-life*	301,548
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	6,313
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	2,621
R0780	Deferred tax liabilities	3,695
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	34,088
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	-3,334
R0900	**Total liabilities**	344,933
R1000	**Excess of assets over liabilities**	377,591

IR.05.04.02

Non-life income and expenditure : reporting period

		All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Non-life insurance and accepted proportional reinsurance obligations									
				Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance - personal lines	Motor vehicle liability insurance - non-personal lines	Motor vehicle other motor insurance - personal lines	Motor vehicle other motor insurance - non-personal lines	Marine, aviation and transport insurance	Fire and other damage to property insurance - personal lines	Fire and other damage to property insurance - non-personal lines
		C0010	C0015	C0110	C0120	C0130	C0140	C0141	C0150	C0151	C0160	C0170	C0180
	Income												
	Premiums written												
R0110	Gross written premiums		231,853								77,738	0	97,117
R0111	Gross written premiums - insurance (direct)		0								0	0	0
R0113	Gross written premiums - accepted reinsurance		231,853								77,738	0	97,117
R0160	Net written premiums		73,436								27,792	0	26,784
	Premiums earned and provision for unearned												
R0210	Gross earned premiums		237,562								77,574	0	100,415
R0220	Net earned premiums		85,053								27,794	0	33,358
	Expenditure												
	Claims incurred												
R0610	Gross (undiscounted) claims incurred		169,186								94,785	0	54,034
R0611	Gross (undiscounted) direct business		0								0	0	0
R0612	Gross (undiscounted) reinsurance accepted		169,616								95,181	0	52,277
R0690	Net (undiscounted) claims incurred		84,169								39,642	0	24,197
R0730	Net (discounted) claims incurred	69,427	69,427										
	Analysis of expenses incurred												
R0910	Technical expenses incurred net of reinsurance ceded	20,999											
R0985	Acquisition costs, commissions, claims management costs	18,597	18,597								-6,613	0	-19,053
	Other expenditure												
R1140	Other expenses	0											
R1310	**Total expenditure**	88,574											

IR.05.04.02

Non-life income and expenditure : reporting period

		Non-life insurance and accepted proportional reinsurance obligations								Accepted non-proportional reinsurance				Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts
		General liability insurance				Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation and transport	Property		
		Employers Liability	Public & products Liability	Professional Indemnity	Other general liability										
		C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0310	C0320	C0330	C0340	C0525	C0545
	Income														
	Premiums written														
R0110	Gross written premiums											610	56,389		
R0111	Gross written premiums - insurance (direct)														
R0113	Gross written premiums - accepted reinsurance											610	56,389		
R0160	Net written premiums											610	18,250		
	Premiums earned and provision for unearned														
R0210	Gross earned premiums											639	58,933		
R0220	Net earned premiums											639	23,262		
	Expenditure														
	Claims incurred														
R0610	Gross (undiscounted) claims incurred											-70	20,437		
R0611	Gross (undiscounted) direct business														
R0612	Gross (undiscounted) reinsurance accepted											14	22,144		
R0690	Net (undiscounted) claims incurred											-71	20,401		
R0730	Net (discounted) claims incurred														
	Analysis of expenses incurred														
R0910	Technical expenses incurred net of reinsurance ceded														
R0985	Acquisition costs, commissions, claims management costs											18,170	26,093		
	Other expenditure														
R1140	Other expenses														
R1310	**Total expenditure**														

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						11,596	-10,411								204	-13,984	-12,594
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default						-365	6,610								0	-9,218	-2,974
R0150	**Net Best Estimate of Premium Provisions**						11,961	-17,020								204	-4,765	-9,620
	Claims provisions																	
R0160	Gross						168,793	69,645								1,140	74,564	314,142
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default						111,013	37,008								14	1,926	149,961
R0250	**Net Best Estimate of Claims Provisions**						57,780	32,637								1,126	72,638	164,181
R0260	**Total best estimate - gross**						180,389	59,235								1,344	60,580	301,548
R0270	**Total best estimate - net**						69,742	15,617								1,330	67,873	154,561
R0280	**Risk margin**						3,777	1,240								28	1,268	6,313
R0320	**Technical provisions - total**						184,166	60,475								1,372	61,848	307,862
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**						110,648	43,618								14	-7,293	146,987
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**						73,518	16,857								1,358	69,141	160,875