

Various Rating Actions Taken On South Africa-Based Insurers And Reinsurers Following Sovereign Downgrade

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- On Nov. 24, 2017, we lowered our foreign currency sovereign ratings on the Republic of South Africa to 'BB' from 'BB+' and our local currency sovereign ratings to 'BB+' from 'BBB-'.
- We think that economic conditions in South Africa have led to increased asset risks in domestic insurers' balance sheets.
- We are therefore lowering our ratings on various South Africa-based insurers and reinsurers. We are affirming our ratings on one entity.
- The stable outlook on our global scale ratings on the South Africa-based insurers and reinsurers largely reflects that on the sovereign.

JOHANNESBURG (S&P Global Ratings) Nov. 30, 2017--S&P Global Ratings today took various rating actions on the insurers and reinsurers exposed to the South African market, as listed in table 1.

Table 1

Summary Of South African Insurers Rating Actions		
Entity	Global scale ratings§	National scale ratings
Old Mutual Life Assurance Co. (South Africa) Ltd.	Lowered to 'BB+'	Lowered to zaAA+/zaA-1+
Liberty Group Ltd.		Lowered to zaAA+/zaA-1+
African Reinsurance Corp. (South Africa) Ltd.	'A-' rating placed on CreditWatch negative	
AIG Life South Africa Ltd.	Lowered to 'BB+'	Lowered to 'zaAA+'
AIG South Africa Ltd.	Lowered to 'BB+'	Lowered to 'zaAA+'
Allianz Global Corporate and Specialty South Africa Ltd.	Lowered to 'BB+'	Lowered to 'zaAA+'
Hannover Reinsurance Africa Ltd.*	Lowered to 'A-'	
Hannover Life Reassurance Africa Ltd.*	Lowered to 'A-'	
General Reinsurance Africa Ltd.*	Lowered to 'A-'	
Munich Reinsurance Co. of Africa Ltd.*	Lowered to 'A-'	
SCOR Africa Ltd.*	Lowered to 'A-'	
GIC Re South Africa Ltd.	Affirmed at 'BB+'	Affirmed at 'zaAA+'
Sanlam group		
Santam Ltd.	Lowered to 'BB+'	Lowered to 'zaAA+'
Santam Structured Insurance Ltd.	Lowered to 'BB'	Lowered to 'zaAA-'
Santam Structured Reinsurance Ltd. PCC	Lowered to 'BB'	
Santam Structured Reinsurance dac	Lowered to 'BB'	
Sanlam Life Insurance Ltd.		Lowered to 'zaAA+'
Sanlam Ltd.		Lowered to zaA
Sanlam Capital Markets Proprietary Ltd.		Lowered to zaAA-/zaA-1+
Issue credit ratings		
Subordinated Deferrable - OMLACSA	Lowered to 'zaA'	
Subordinated Deferrable - Santam Ltd.	Lowered to 'zaA'	
Subordinated Deferrable - Sanlam Life Insurance Ltd.	Lowered to 'zaA'	
Subordinated Nondeferrable - Liberty	Lowered to 'zaAA-'	
Subordinated Deferrable - Liberty	Lowered to 'zaA'	

*Financial strength rating only. §All outlooks are stable, except for African Reinsurance Corp. (South Africa) Ltd., which has been placed on CreditWatch with negative implications.

These rating actions follow the downgrade of South Africa (see "South Africa Ratings Lowered On Weakening Economic And Fiscal Trajectory; Outlook Stable," published on Nov. 24, 2017, on RatingsDirect).

Lowering the sovereign ratings to speculative-grade indicates that the asset quality in the country has weakened. Hence, the sovereign downgrade has directly weakened the credit quality of the investments of those insurers that hold most of their assets in South Africa. Consequently, their balance sheets are more vulnerable. By extension, the financial strength of many of the rated insurers has declined.

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OLD MUTUAL LIFE ASSURANCE CO. (SOUTH AFRICA) LTD. (OMLACSA)

The downgrade reflects the downgrade of the sovereign. We rate OMLACSA one notch above the 'BB' foreign currency rating on the sovereign. This reflects our belief that OMLACSA's largely loss-absorbing liability profile allows it to withstand the stress associated with a foreign currency sovereign default. We use our South African national scale tables to derive our 'zaAA+' national scale rating on OMLACSA.

We limit our ratings on OMLACSA to the 'BB+' local currency ratings on South Africa. This is because, in our view, OMLACSA's asset and liability concentration in the domestic economy makes it susceptible to the financial and macroeconomic stresses associated with a local currency sovereign default.

SANLAM LIFE INSURANCE LTD. (SANLAM LIFE) & LIBERTY GROUP LTD.

We lowered the South Africa national scale ratings on these entities to 'zaAA+', in line with the national scale rating on the sovereign. This reflects our belief that these groups' liability profiles are largely loss absorbing. This would allow them to withstand the stress associated with a foreign currency sovereign default.

We limit the ratings on these players to the local currency ratings on South Africa because, in our view, their asset and liability concentration in the domestic economy makes them susceptible to the financial and macroeconomic stresses associated with a local currency sovereign default.

SANLAM CAPITAL MARKETS PROPRIETARY LTD.

We lowered our national scale ratings on Sanlam Capital Markets Proprietary Ltd. (SCM) to 'zaAA-/zaA-1+' to reflect the negative action on the core entity (Sanlam Life) of Sanlam group. We consider SCM to be highly strategic to the Sanlam group and therefore derive its ratings from the Sanlam group.

SANLAM LTD. (NONOPERATING HOLDING COMPANY [NOHC])

The downgrade to 'zaA' reflects that on Sanlam Life, the core entity of Sanlam group. We also take into account the structural subordination that comes from its NOHC status.

SANTAM LTD.

We lowered our ratings on Santam Ltd. (Santam) to 'BB+' and our national scale ratings to 'zaAA+', reflecting the downgrade of the sovereign. We continue to rate South African insurer Santam above the 'BB' foreign currency sovereign ratings on South Africa. This is based on its higher stand-alone credit profile (SACP), supported by a credible and executable risk mitigation plan.

However, the ratings on Santam continue to be limited by our local currency sovereign ratings on South Africa because we consider that the group remains susceptible to financial and macroeconomic stresses, given the insurer's asset and liability concentration in the domestic economy.

SANTAM STRUCTURED INSURANCE LTD., SANTAM STRUCTURED REINSURANCE LTD. PCC, AND

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SANTAM STRUCTURED REINSURANCE DAC (COLLECTIVELY, SANTAM SI)

We lowered our ratings on Santam SI to 'BB' and our national scale ratings on Santam Structured Insurance Ltd. to 'zaAA-', reflecting the downgrade of the sovereign.

A significant proportion of Santam SI's investments and business is in South Africa and its integration into the Santam group is still ongoing. Accordingly, we see no strong idiosyncratic reasons that could allow Santam SI to be rated above the sovereign. Therefore, we limit our ratings on the three entities at the level of the long-term foreign currency rating on South Africa.

We continue to regard Santam SI as a strategically important subgroup of the Santam group, although this does not lead us to apply rating uplift.

ISSUE RATINGS

We lowered our ratings on the deferrable debt issued by Liberty, OMLACSA, Sanlam Life, and Santam to reflect the downgrade of the issuers and taking into account:

- One notch down from the global scale rating for deferability; and
- Two notches down from the national scale rating for subordination because we limit the issuer's global scale ratings to the 'BB+' local currency ratings on South Africa (for investment-grade issuers, we take only one notch, but South Africa is now rated as speculative grade).

AIG SOUTH AFRICA LTD.

We lowered our ratings on AIG South Africa Ltd. (AIGSA) to 'BB+' and our national scale ratings to 'zaAA+'. The rating action reflects our view that the average credit quality of AIGSA's investments has weakened.

AIGSA's strong capital position and liquid assets allow it to withstand the stress associated with our foreign currency sovereign default scenario. Consequently, we rate AIGSA above our foreign currency rating on South Africa, as we believe the insurer is unlikely to default on its insurance liabilities in the event of a foreign currency default by South Africa.

We continue to view AIGSA as strategically important to the wider AIG group. We could assign up to three notches of uplift to reflect group support up to the level of the level of the local sovereign currency ratings. In AIGSA's case, the group support does not lead to a rating uplift, as our assessment of its SACP is already at the same level as the local currency sovereign rating.

ALLIANZ GLOBAL CORPORATE AND SPECIALTY SOUTH AFRICA LTD. (AGCSSA)

We lowered our ratings on AGCSSA to 'BB+' and our national scale ratings to 'zaAA+' reflecting the downgrade of the sovereign. As highly strategic subsidiary to its parent, Allianz Global Corporate & Specialty SE (a core

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subgroup of Allianz SE), we rate AGCSSA at the level of the local currency sovereign rating on South Africa to reflect its domestic concentration.

SOUTH AFRICA-BASED RE/INSURERS THAT BENEFIT FROM POLICYHOLDER GUARANTEES FROM THEIR RESPECTIVE PARENTS

We lowered our ratings on those entities that benefit from policyholder guarantees from their respective parents:

- Hannover Reinsurance Africa Ltd. (HRAL) and Hannover Life Reassurance Africa Ltd. (HLRAL) are supported by Hannover Rueck SE (AA-/Stable);
- Munich Reinsurance Co. of Africa Ltd. (Munich Re Africa) is supported by Munich Reinsurance Co. (AA-/Stable);
- SCOR Africa Ltd. is supported by SCOR SE (AA-/Stable); and
- General Reinsurance Africa Ltd. (Gen Re Africa) is supported by General Reinsurance AG (AA+/Negative).

The financial strength ratings on subsidiaries benefiting from a policyholder guarantee can exceed a speculative-grade local currency long-term sovereign credit rating by up to four notches. We have therefore lowered our ratings on these entities.

AFRICAN REINSURANCE CORP. (SOUTH AFRICA) LTD. (ARCSA)

We placed on CreditWatch with negative implications our 'A-' long-term issuer credit and financial strength ratings on ARCSA. The CreditWatch placement follows the negative rating action on the sovereign. We will assess the impact on the ratings on ARCSA of the sovereign downgrade, the associated higher sovereign risks, and subsequent management actions. We expect to resolve the CreditWatch placement on ARCSA within the next three months.

GIC RE SOUTH AFRICA LTD.

We affirmed our 'BB+' ratings on GIC Re South Africa, which we consider is of strategic importance to its parent, given its integration with the parent and role within the broader group strategy. We maintain one notch of uplift in our ratings on GIC Re South Africa due to support from the parent. We have removed the one-notch downward adjustment to reflect the positive developments at the company, such as the injection of new capital from the parent. These improvements mitigate the impact of lower sovereign ratings and the consequent decline in the average credit quality of GIC Re South Africa's investments to the 'BB' range.

OUTLOOKS AND CREDITWATCH

OMLACSA

The stable outlook reflects the stable outlook on the sovereign.

We consider the company's relatively robust SACP as unlikely to trigger

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negative rating actions in the coming 12 months, at the current rating level. Over the next 12 months, we could take rating actions on OMLACSA if we took similar actions on the sovereign ratings.

SANTAM

The stable outlook on the global scale ratings reflects the stable outlook on the sovereign. Over the next 12 months, the most likely trigger for further rating actions, positive or negative, would be a similar action on the sovereign. We could also lower the rating if we see signs that Santam is not executing its risk-mitigation plan.

SANTAM SI

The stable outlook on the global scale ratings reflects the outlook on the sovereign. Over the next 12 months, the most likely trigger for further rating actions, positive or negative, would be a similar action on the sovereign.

GIC RE SA

The stable outlook reflects the outlook on the sovereign and our expectation that GIC Re SA will retain the support of its parent. Any rating actions over the next 12 months are likely to be driven by either an action on the local currency ratings on the sovereign or a change in the support from its parent.

AIGSA, AGCSSA, HRAL and HLRAL, Munich Re Africa, SCOR Africa, and Gen Re Africa

The stable outlook on the global scale ratings on these entities reflects the outlook on the sovereign. Any rating actions over the next 12 months are likely to be driven by an action on the local currency ratings on the sovereign.

ARCSA

We expect to resolve the CreditWatch placement on ARCSA within the next three months.

National Scale Ratings

Our national scale ratings have no outlooks. That said, any potential rating action on the global scale sovereign rating on South Africa could have a multiple-notch effect on our national scale ratings.

RATINGS SCORE SNAPSHOTS

	To	From
OMLACSA		
Financial Strength	BB+/Stable/--	BBB-/Negative/--
Anchor	bbb-	bbb+
Business Risk Profile	Satisfactory	Satisfactory
IICRA	Moderate	Moderate
Competitive Position	Strong	Strong

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Financial Risk Profile	Less than adequate	Upper adequate
Capital and Earnings	Upper adequate	Upper adequate
Risk Position	Intermediate	Intermediate
Financial Flexibility	Adequate	Adequate
Modifiers	0	0
ERM and Management	0	0
Enterprise Risk		
Management	Adequate	Adequate
Management and		
Governance	Satisfactory	Satisfactory
Holistic Analysis	0	0
Liquidity	Exceptional	Exceptional
Support	0	0
Group Support	0	0
Government Support	-1	-2
AIG SOUTH AFRICA		
Financial Strength	BB+/Stable/--	BBB-/Negative/--
Anchor	bb+	bbb
Business Risk Profile	Fair	Fair
IICRA	Moderate risk	Moderate risk
Competitive Position	Adequate	Adequate
Financial Risk Profile	Less than adequate	Moderately strong
Capital and Earnings	Moderately strong	Moderately strong
Risk Position	Moderate	Intermediate
Financial Flexibility	Adequate	Adequate
Modifiers	0	0
ERM and Management	0	0
Enterprise Risk		
Management	Adequate	Adequate
Management and		
Governance	Fair	Fair
Holistic Analysis	0	0
Liquidity	Strong	Strong
Support	0	0
Group Support	0	0
Government Support	0	0
GIC RE SOUTH AFRICA		
Financial Strength	BB+/Stable	BB+/Stable

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Anchor	bb	bb+
Business Risk Profile	Vulnerable	Vulnerable
IICRA	High risk	High risk
Competitive Position	Less than adequate	Less than adequate
Financial Risk Profile	Lower adequate	Lower adequate
Capital and Earnings	Moderately strong	Moderately strong
Risk Position	High risk	High risk
Financial Flexibility	Adequate	Adequate
Modifiers	0	0
ERM and Management	0	0
Enterprise Risk		
Management	Adequate	Adequate
Management and		
Governance	Fair	Fair
Holistic Analysis	0	-1
Liquidity	Exceptional	Exceptional
Support	1	1
Group Support	1	1
Government Support	0	0

SANTAM STRUCTURED INSURANCE

Financial Strength	BB/Stable/--	BB+/Negative/--
Anchor	bb+	bbb
Business Risk Profile	Fair	Fair
IICRA	Moderate risk	Moderate risk
Competitive Position	Adequate	Adequate
Financial Risk Profile	Less than adequate	Upper adequate
Capital and Earnings	Moderately strong	Moderately strong
Risk Position	Moderate	Moderate
Financial Flexibility	Adequate	Adequate
Modifiers	0	0
ERM and Management	0	0
Enterprise Risk		
Management	Adequate	Adequate
Management and		
Governance	Fair	Fair
Holistic Analysis	-1	-1
Liquidity	Exceptional	Exceptional
Sovereign Risk	0	-1
Support	0	0
Group Support	0	0
Government Support	0	0

IICRA--Insurance Industry And Country Risk Assessment

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RELATED CRITERIA

- General Criteria: S&P Global Ratings' National And Regional Scale Mapping Tables, Aug. 14, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- General Criteria: National And Regional Scale Credit Ratings, Sept. 22, 2014
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- Criteria - Insurance - General: Enterprise Risk Management, May 7, 2013
- Criteria - Insurance - General: Insurers: Rating Methodology, May 7, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- Criteria - Insurance - General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model, June 7, 2010
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Insurance - General: Hybrid Capital Handbook: September 2008 Edition, Sept. 15, 2008

RELATED RESEARCH

- Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign, Nov. 29, 2017
- South Africa Ratings Lowered On Weakening Economic And Fiscal Trajectory; Outlook Stable, Nov. 24, 2017

RATINGS LIST

* * * * * African Reinsurance Corp. (South Africa) Ltd. * * * * *

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
African Reinsurance Corp. (South Africa) Ltd.		
Counterparty Credit Rating		
Local Currency	A-/Watch Neg/--	A-/Negative/--
Financial Strength Rating		
Local Currency	A-/Watch Neg/--	A-/Negative/--

* * * * * Allianz Global Corporate and Specialty South Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action

	To	From
Allianz Global Corporate and Specialty South Africa Ltd.		
Counterparty Credit Rating		
Local Currency	BB+/Stable/--	BBB-/Negative/--
Financial Strength Rating		
Local Currency	BB+/Stable/--	BBB-/Negative/--

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Downgraded

	To	From
Allianz Global Corporate and Specialty South Africa Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+/--/--	zaAAA/--/--

* * * * * AIG South Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action

	To	From
AIG South Africa Ltd. AIG Life South Africa Ltd. Counterparty Credit Rating Local Currency	BB+/Stable/--	BBB-/Negative/--
Financial Strength Rating Local Currency	BB+/Stable/--	BBB-/Negative/--

Downgraded

	To	From
AIG South Africa Ltd. AIG Life South Africa Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+/--/--	zaAAA/--/--

* * * * * General Reinsurance Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action

	To	From
General Reinsurance Africa Ltd. Financial Strength Rating Local Currency	A-/Stable/--	AA-/Negative/--

* * * * * GIC Re South Africa Ltd. * * * * *

Ratings Affirmed

GIC Re South Africa Ltd. Counterparty Credit Rating Local Currency	BB+/Stable/--
South Africa National Scale	zaAA+/--/--
Financial Strength Rating Local Currency	BB+/Stable/--

* * * * * Hannover Reinsurance Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action

To	From
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Hannover Life Reassurance Africa Ltd.
Hannover Reinsurance Africa Ltd.
Financial Strength Rating
Local Currency A-/Stable/-- AA-/Negative/--

* * * * * Munich Reinsurance Co. of Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action
To From
Munich Reinsurance Co. of Africa Ltd.
Financial Strength Rating
Local Currency A-/Stable/-- AA-/Negative/--

* * * * * Old Mutual Life Assurance Co. (South Africa) Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action
To From
Old Mutual Life Assurance Co. (South Africa) Ltd.
Counterparty Credit Rating
Local Currency BB+/Stable/-- BBB-/Negative/--
Financial Strength Rating
Local Currency BB+/Stable/-- BBB-/Negative/--

Downgraded; Ratings Affirmed
To From
Old Mutual Life Assurance Co. (South Africa) Ltd.
Counterparty Credit Rating
South Africa National Scale zaAA+/--/zaA-1+ zaAAA/--/zaA-1+

Downgraded
To From
Old Mutual Life Assurance Co. (South Africa) Ltd.
Subordinated zaA zaAA

* * * * * SCOR Africa Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action
To From
SCOR Africa Ltd.
Financial Strength Rating
Local Currency A-/Stable/-- AA-/Negative/--

* * * * * Sanlam Ltd. And Santam Ltd. * * * * *

Downgraded; CreditWatch/Outlook Action
To From
Santam Ltd.
Counterparty Credit Rating
Local Currency BB+/Stable/-- BBB-/Negative/--

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Financial Strength Rating Local Currency	BB+/Stable/--	BBB-/Negative/--
Downgraded; Ratings Affirmed	To	From
Sanlam Capital Markets Proprietary Ltd. Counterparty Credit Rating South Africa National Scale	zaAA-/--/zaA-1+	zaAA/--/zaA-1+
Downgraded	To	From
Sanlam Ltd. Counterparty Credit Rating South Africa National Scale	zaA/--/--	zaA+/--/--
Santam Ltd. Sanlam Life Insurance Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+/--/--	zaAAA/--/--
Santam Ltd. Subordinated	zaA	zaAA
Sanlam Life Insurance Ltd. Subordinated	zaA	zaAA
Downgraded; CreditWatch/Outlook Action	To	From
Santam Structured Insurance Ltd. Santam Structured Reinsurance Ltd. PCC Santam Structured Reinsurance DAC Counterparty Credit Rating Local Currency Financial Strength Rating Local Currency	BB/Stable/-- BB/Stable/--	BB+/Negative/-- BB+/Negative/--
Downgraded	To	From
Santam Structured Insurance Ltd. Financial Strength Rating National Scale Rating	zaAA-/--/--	zaAA/--/--
* * * * * Liberty Group Ltd. * * * * *		
Downgraded; Ratings Affirmed	To	From
Liberty Group Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+/--/zaA-1+	zaAAA/--/zaA-1+

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Downgraded

	To	From
Liberty Group Ltd.		
Subordinated	zaA	zaAA
Subordinated	zaAA-	zaAA+

REGULATORY DISCLOSURES

Allianz Global Corporate and Specialty South Africa Ltd. (AGCSSA)

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco
- Date initial rating assigned: Aug. 14, 2014
- Date of previous review: Oct. 30, 2017

AIG South Africa Ltd.

AIG Life South Africa Ltd.

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco
- Date initial rating assigned: May 2, 2014
- Date of previous review: Aug. 31, 2017

Hannover Reinsurance Africa Ltd.

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Ali Karakuyu
- Date initial rating assigned: March 25, 2004
- Date of previous review: June 30, 2017

Hannover Life Reassurance Africa Ltd.

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Ali Karakuyu
- Date initial rating assigned: Nov. 20, 2009
- Date of previous review: June 30, 2017

Sanlam Capital Markets Proprietary Ltd.

- Primary Credit Analyst: Matthew Pirnie, Rating Analyst
- Rating Committee Chairperson: David Laxton
- Date initial rating assigned: Feb. 25, 2016
- Date of previous review: Aug. 7, 2017

Santam Ltd.

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco

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- Date initial rating assigned: Oct. 10, 2012
- Date of previous review: April 28, 2017

African Reinsurance Corporation South Africa Pty Ltd.

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco
- Date initial rating assigned: Nov. 28, 2014
- Date of previous review: Oct. 4, 2017

Santam Structured Insurance Ltd.

Santam Structured Reinsurance Ltd. PCC

Santam Structured Reinsurance dac

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco
- Date initial rating assigned: May 24, 2017
- Date of previous review: May 24, 2017

GIC Re

- Primary Credit Analyst: Trevor Barsdorf, Rating Analyst
- Rating Committee Chairperson: Marco Sindaco
- Date initial rating assigned: July 20, 2015
- Date of previous review: July 20, 2017

DISCLAIMERS

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These credit ratings are solicited. The rated entities did participate in the credit rating process. S&P Global Ratings did have access to the accounts, financial records and other relevant internal, non-public documents of the rated entities or related third parties. S&P Global Ratings has used information from sources believed to be reliable but does not guarantee the accuracy, adequacy, or completeness of any information used.

GLOSSARY

- Anchor: The starting point for rating an insurer, based on S&P Global Ratings' assessments of the business and financial risk profiles.
- Business risk profile (BRP): Assesses the risk inherent in the insurer's operations and therefore the potential sustainable return to be derived from those operations.
- Capital and earnings: Measure of an insurer's ability to absorb losses.

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- **Competitive position:** An assessment based on an insurer's operating performance, branding, market position, diversification and control over its distribution channels.
- **Date initial rating assigned:** The date S&P Global Ratings assigned the long-term foreign currency issuer credit rating on the entity.
- **Date of previous review:** The date S&P Global Ratings last reviewed the credit rating on the entity.
- **Enterprise risk management (ERM):** Our assessment of ERM examines whether insurers execute risk management practices in a manner that effectively limits future losses.
- **Financial flexibility:** The balance between an insurer's sources and uses of external capital and liquidity over the current and next two years.
- **Financial risk profile (FRP):** The consequence of decisions that management makes in the context of its business risk profile and its risk tolerances.
- **Financial strength rating (FSR):** A forward-looking opinion about the financial security characteristics of an insurer with respect to its ability to pay under its insurance policies and contracts, in accordance with their terms.
- **Insurance Industry And Country Risk Assessment (IICRA):** Addresses the risks typically faced by insurers operating in specific industries and countries, and is generally determined at a country or regional level.
- **Issuer credit rating (ICR):** A forward-looking opinion about an obligor's overall creditworthiness, focusing on its capacity and willingness to meet its financial obligations in full and as they come due.
- **Risk position:** Assesses material risks not incorporated in the capital and earnings analysis and specific risks that could affect the volatility of an insurer's TAC.
- **Stand-alone credit profile (SACP):** S&P Global Ratings' opinion of an insurer's creditworthiness, in the absence of extraordinary intervention from its parent, affiliate, or related government.

Additional Contact:

Insurance Ratings Europe; InsuranceInteractive_Europe@spglobal.com

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