

WRITTEN NOTICE

Internal model approval

To: Aviva International Insurance Limited (FRN 202082)
Aviva Insurance Limited (FRN 202153)
The Ocean Marine Insurance Company Limited (FRN 202787)
Aviva Life & Pensions UK Limited (FRN 185896)
(together "the firm")

Of: St. Helen's, 1 Undershaft, London EC3P 3DQ

Ref: 00005729, 00005730, 00005731, 00005732

Date: 15 December 2022

DECISION:

(1) In accordance with Regulation 48 and 49 of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (the "PRA") has decided to approve a major model change to the firm's partial internal model approved in the original Written Notice – Internal model approval dated 5 December 2015 (reference 2243186, 2243953, 2243957, 2243963, 2243951 (the "Original Notice")) and as amended by a major model change and extension approved in the Written Notice dated 1 March 2016 (reference 2429705, 2429715, 2429728, 2429745, 2429709), major model changes and extension approved in Written Notice dated 23 March 2017 (reference 4105641, 4105643, 4105644, 3605395, 4239664, 4239666, 4105642) and major model changes, extensions and minor changes accumulation which triggered pre-set major model change thresholds approved in Written Notice dated 21 December 2017 (reference 4800491, 4800493, 4800494, 4800495, 4800496, 4800497, 4800492), major model change and extensions approved in Written Notice dated 10 December 2018 (reference 4973445, 5090844, 5090845 &



5090869), major model change approved in Written Notice dated 25 October 2019 (reference 5276051, 5276050, 5276052 & 5276048) and change approved in Written Notice dated 25 November 2020 (reference 00002047, 00002048, 00002049, 00002050) and change approved in Written Notice dated 01 December 2021 (reference 00003513, 00003514, 00003515, 00003516) - collectively, the "Aviva Group Model".

(2) This approval is granted on the basis of the information set out in the firms' application dated 11 August 2022 and its addendum submitted on 20 September 2022 and 2 November 2022.

(3) The details of the approved internal model following this approval are set out in Annex 1.

Effective date

(4) This permission takes effect on 31 December 2022.

Decision maker

(5) The decision which gave rise to the obligation to give this Notice was made by Lisa Leaman, Head of Division.

Publication

(6) Details of this approval will be published on the Financial Services Register.

Reasons for the Decision

(7) The PRA's assessment is that the partial internal model, following the major model change, met the tests and standards at the time the decision was made. Specifically, the PRA is satisfied that:

a. the internal model complies with the rules contained in Solvency Capital Requirement – Internal Models part of the PRA Rulebook;

b. the internal model complies with the applicable requirements set out in Title 1 Chapter VI Solvency capital requirement – full and partial internal models of the Commission Delegated Regulation (EU) 2015/35;

c. the systems of the undertaking for identifying, measuring, monitoring, managing and reporting risk are adequate;

d. the model complies with the requirements of Title 2 Chapter II Section 2 of the Commission Delegated Regulation (EU) 2015/35; and

e. the model additionally fulfils the requirements of Chapter 4 of the Solvency Capital Requirement – Internal Models 4 of the PRA Rulebook and Title 1 Chapter VI Section 5 of the Commission Delegated Regulation (EU) 2015/35.

PRA contacts

(8) For more information concerning this matter generally, the firm should contact their usual supervisory contact.

Amy Mercer
Senior Manager
Insurance Supervision
For and on behalf of The Prudential Regulation Authority

ANNEX 1

The approved partial internal model

Definition

1. The approved internal model is as set out in the internal model application documents submitted to the PRA on 11 August 2022 and its addendum submitted on 20 September 2022 and 2 November 2022
2. The internal model is approved to calculate the consolidated Group SCR at the level of Aviva Plc. The entities with a "Yes" in the Group SCR column in table 1 are those which are included in the model in order to calculate the Group SCR.
3. Entities not included in Table 1 that are included in the calculation of the Group SCR using Method 1 (Consolidation) on the basis of the standard formula are integrated with the partial internal model by using technique two of method two approved by the PRA in accordance with Article 239(2) of the Commission Delegated Regulation (EU) 2015/35 as set out in the Application.
4. The internal model is approved to calculate the individual SCR for those entities with a "Yes" in the Solo SCR column in table 1.
5. Subject to 2. to 4. above, the model is approved to calculate the consolidated Group SCR at the level of Aviva Plc and the individual SCR for each entity indicated in respect of all material quantifiable risks as at the date of this notice.

Table 1

Legal Entity	FRN	Group SCR (or contribution to Group SCR if solo entity)	Solo SCR
Aviva Life & Pensions UK Ltd	185896	Yes	Yes
Aviva Insurance Limited	202153	Yes	Yes
The Ocean Marine Insurance Co Ltd	202787	Yes	Yes
Aviva International Insurance Limited	202082	Yes	Yes
Aviva plc		Yes	
Aviva Group Holdings Limited		Yes	
Aviva Canada Inc.		Yes	
Aviva Insurance Company of Canada		Yes	
Aviva General Insurance Company (Canada)		Yes	
Elite Insurance Company		Yes	
Pilot Insurance Company		Yes	
S&Y Insurance Company		Yes	
Scottish & York Insurance Co. Limited		Yes	

Legal Entity	FRN	Group SCR (or contribution to Group SCR if solo entity)	Solo SCR
Traders General Insurance Company		Yes	
Victoria Reinsurance Company Ltd		Yes	
Aviva International Holdings Limited		Yes	
Aviva Life Holdings UK Limited		Yes	