Disclosure Statement at year ended 31 December 2025

This disclosure statement is prepared in accordance with the requirements under the Insurance (Valuation and Capital) Rules and the Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

Transatlantic Reinsurance Company, Hong Kong Branch

(b) Nature of the business, and places of business operations

Transatlantic Reinsurance Company("TRC"), Hong Kong Branch ("Branch") is licensed to carry on reinsurance business in Hong Kong. The principal activity of the Branch has not changed during the year and consists of the underwriting of general reinsurance risks, mainly those associated with property, casualty, marine and motor, mainly within the jurisdictions of Hong Kong and Mainland China.

(c) Description of corporate structure

TRC is a New York-domiciled property and casualty reinsurance company and a wholly owned subsidiary of Transatlantic Holdings, Inc. ("TRH"), a Delaware corporation. TRH is a wholly owned subsidiary of Alleghany Corporation, a Delaware corporation, which in turn is a wholly owned subsidiary of Berkshire Hathaway Inc., a publicly traded Delaware corporation. Berkshire Hathaway Inc. is the ultimate parent company of both TRH and TRC.

TRC owns 100% of the outstanding stock of the following wholly owned subsidiaries:

- Fair American Insurance and Reinsurance Company – a New York-domiciled insurance company.
- Fair American Select Insurance Company – a Delaware insurance company.
- TransRe Europe S.A. – an international reinsurance company based in Luxembourg.
- Calpe Insurance Company Limited – a Gibraltar-domiciled motor insurer authorized to operate in the United Kingdom.
- TransRe London Ltd. – a company incorporated in the United Kingdom.

Through its international locations, TRC has operations worldwide, including Australia, Bermuda, Canada, Asia, South America, and Europe. TRC opened the international Hong Kong Branch in 1986 and is authorized in the Hong Kong Special Administrative Region of the People's Republic of China.

2 Corporate governance framework

The Branch benefits from TRC's robust group-wide corporate governance and enterprise risk management (ERM) framework, which continues to be rated "Strong" by S&P. The framework ensures: an appropriate risk-reward balance consistent with Board-approved appetites; an effective system of controls commensurate with the scale and complexity of TRC; available tools to measure risks, quality of risk models and data accuracy; ongoing monitoring and challenge of risk-taking decisions; proportionate investigation and follow-up of breaches and operational incidents; and effective oversight of capital adequacy.

TRC's Risk Governance is divided into three main categories:

1. TRH Board Oversight
2. TRC and TRC Management Oversight
3. Local and Other Risk Oversight

Each TRC office of significant size or where required by local regulators, maintains a Local Risk Committee ("LRC").

LRCs meet quarterly to review the major risks of their respective operations including insurance, regulatory, operational, credit and other financial risks. The members of the Branch's LRC include senior representatives from the branch, including Underwriting, Finance, Claims, Actuarial, Systems, Risk, Legal and Compliance Departments. The LRC is currently chaired by the Group CRO.

LRCs follow a standard framework established by the Group Risk Management department and consider the following key areas:

- Local business environment, including local conditions, underwriting exposures and material claims/losses arising in the quarter.
- Provide oversight and help facilitate the effectiveness of the local ERM framework and risk management culture by assisting in the development of education and training and engaging with key business functions to help embed ERM in the local

branch office in alignment with TRC's overall ERM and risk governance framework

- Review the adequacy of the risk management framework including the risk register, risk policies and controls and risk reporting. Consideration is given to:

  - Group Risk (including activities at the corporate level and engagement with rating agencies)
  - Underwriting Risk
  - Reserve Risk
  - Credit Risk
  - Market/Asset Risk
  - Strategic Risk
  - Liquidity Risk
  - Operational Risk (including regulatory, business continuity planning and reputational risk)

- Review new and emerging risks that impact the branch office/subsidiary and the appropriateness of the controls to mitigate these risks
- Review the effectiveness of controls that mitigate key risks and the effectiveness of any assurance activities performed in the quarter
- Consider risks identified by TRC's corporate functions Global Risk Management ("GRM"), Actuarial, Claims, Finance, Human Resources, Information Technology, Legal and Compliance) that impact the local operation and strategies and actions to address such risks
- Consider operational risk events that have occurred during the quarter; consider trends and lessons that arise from such events and the effectiveness of existing controls
- Consider local regulatory issues and their impact
- Consider adequacy of capital, stress testing and local investment performance

LRC chairs report to both the regional Presidents/Branch Office Managers and to GRM with updates provided to the Corporate Risk Management Committee.

3 Financial position

(a) Balance sheet determined under the Insurance (Valuation and Capital) Rules

(Unit: in HKD thousands)	As at 31 December 2025					As at 31 December 2024				
	Total – General Business	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total – General Business**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Total assets	1,818,786	-	-	1,818,786	-	2,034,921	-	-	2,034,921	-
Cash and deposits	39,850	-	-	39,850	-	25,123	-	-	25,123	-
Debt securities	1,200,583	-	-	1,200,583	-	1,537,241	-	-	1,537,241	-
Equities (including portfolio investments)	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Properties	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Reverse repurchase agreement	-	-	-	-	-	-	-	-	-	-
Other financial assets	158,472	-	-	158,472	-	197,970	-	-	197,970	-
Policyholder's account assets in respect of unit linked products or retirement scheme	-	-	-	-	-	-	-	-	-	-
Reinsurance assets	377,836	-	-	377,836	-	263,759	-	-	263,759	-
Tax assets	23,954	-	-	23,954	-	849	-	-	849	-
Other assets	18,091	-	-	18,091	-	9,979	-	-	9,979	-
Total liabilities	1,412,913	-	-	1,412,913	-	1,357,993	-	-	1,357,993	-
Insurance liabilities	1,287,453	-	-	1,287,453	-	1,242,239	-	-	1,242,239	-
Reinsurance liabilities	-	-	-	-	-	-	-	-	-	-
Repurchase agreement	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	83,985	-	-	83,985	-	85,160	-	-	85,160	-

(Unit: in HKD thousands)	As at 31 December 2025					As at 31 December 2024				
	Total – General Business	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total – General Business**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Tax liabilities	-	-	-	-	-	2,864	-	-	2,864	-
Other liabilities	41,475	-	-	41,475	-	27,730	-	-	27,730	-
Net assets	405,873	-	-	405,873	-	676,927	-	-	676,927	-

(b) Material change or other commentary on balance sheet items (if any)

Debt securities: The decrease in investment is mainly driven by capital repatriation to Home Office.

Insurance liabilities & Reinsurance assets: The financial position shown in this disclosure statement is prepared on the basis required under the Insurance (Valuation and Capital) Rules. Compared with the prior financial year end, insurance liabilities increased. The movement principally reflects the growth in written premium, claims development, catastrophe or large-loss activity, claims settlements, or changes in discounting. Reinsurance assets also increased, reflecting the effect of the Branch's outwards reinsurance arrangements on the underlying gross insurance liabilities.

4 Investments

(a) Assumptions and methods used for valuation of investments

The Branch's investments are short-term debt securities. They are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

The investments are measured at fair value which represents the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is determined based on quoted market prices in active markets for identical instruments.

(b) Material change in assumptions and methods, or other commentary on investments (if any)

N/A

5 Insurance liabilities

(a) Total insurance liabilities determined under the Insurance (Valuation and Capital) Rules

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 December 2025									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (gross of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	1,287,453
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	-	-	-	-	-	-	-	1,046,508	240,945	1,287,453
Outstanding claims liabilities	-	-	-	-	-	-	-	952,886	244,011	1,196,897
Premium liabilities	-	-	-	-	-	-	-	57,675	(13,608)	44,067
Margin over current estimate for outstanding claims liabilities	-	-	-	-	-	-	-	31,893	10,348	42,242
Margin over current estimate for premium liabilities	-	-	-	-	-	-	-	4,053	194	4,247
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	-	-	-	-	-	-	-	754,338	154,831	909,169

(Unit: in HKD thousands)	As at 31 December 2024									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (gross of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	1,242,239
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	-	-	-	-	-	-	-	992,273	249,967	1,242,239
Outstanding claims liabilities	-	-	-	-	-	-	-	916,502	257,317	1,173,819
Premium liabilities	-	-	-	-	-	-	-	38,612	(21,355)	17,257
Margin over current estimate for outstanding claims liabilities	-	-	-	-	-	-	-	33,299	13,667	46,966
Margin over current estimate for premium liabilities	-	-	-	-	-	-	-	3,861	337	4,198
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	-	-	-	-	-	-	-	808,764	169,717	978,481

(b) Assumptions and method used to derive the assumptions for determining insurance liabilities

The Branch determines its insurance liabilities in accordance with the Insurance (Valuation and Capital) Rules (Cap. 41R) and the Insurance Authority's Guideline GL9. These liabilities are measured as a best estimate of expected future insurance cash flows, together with a margin over current estimate ('MOCE'), which is an additional amount held to reflect the inherent uncertainty in those cash flows. The current estimate together with MOCE is set at the level required under the valuation rules to provide a 75% probability of adequacy.

The valuation of insurance liabilities incorporates estimates of outstanding claims, incurred but not reported claims, and premium liabilities and associated reinsurance recoveries, together with allowance for the time value of money where required under the valuation rules. The Branch considers gross insurance liabilities separately from amounts expected to be recovered under outwards reinsurance arrangements.

Standard actuarial reserving methodologies appropriate to the nature of the Branch's business are applied, with assumptions reviewed regularly to ensure they remain appropriate. The key actuarial assumptions are derived using a combination of historical claims and premium experience, actuarial analysis and professional judgement with consideration to the current characteristics of the Branch’s portfolio.

Discount rates are based on the relevant risk-free yield curves prescribed under the Hong Kong Risk-based Capital framework, consistent with the requirements of the Insurance (Valuation and Capital) Rules. These rates are used to reflect the time value of money when valuing expected future payments for each relevant currency as at the reporting date.

(c) Material change in assumptions and methods used to derive the assumptions, or other commentary on insurance liabilities (if any)

The methodologies used to determine insurance liabilities remained broadly consistent with those applied in the previous financial year. Assumptions continued to be reviewed regularly to reflect emerging experience, changes in the business portfolio and current market conditions, with updates made where appropriate in accordance with actuarial judgement. There were no material changes to the valuation methodology that significantly affected the overall approach to determining insurance liabilities during the reporting period.

Management believes that the insurance liabilities reported at the reporting date appropriately reflect the Branch's obligations in accordance with the Insurance (Valuation and Capital) Rules.

6 Financial performance

(a) Financial performance in total and at a segmented level, including premiums, investment returns and claims

Performance Analysis on Premiums and Claims

(Unit: in HKD thousands)	For the financial year ended 31 December 2025				For the financial year ended 31 December 2024			
	Total	Long term business	Of which belongs to: long term business – participating business	General business	**Total**	Long term business	Of which belongs to: long term business – participating business	General business
Gross premiums[1]	401,789	-	-	401,789	367,576	-	-	367,576
Regular premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Single premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Net premiums	63,225	-	-	63,225	73,874	-	-	73,874
Regular premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Single premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Gross claims paid	333,980	-	-	333,980	363,968	-	-	363,968
Net claims paid	259,109	-	-	259,109	292,296	-	-	292,296

Performance Analysis on Investment Returns

(Unit: in HKD thousands)	For the financial year ended 31 December 2025					For the financial year ended 31 December 2024				
	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Investment returns	62,209	-	-	62,209	-	84,477	-	-	84,477	-

[1] For long term business, it refers to premiums received and receivable during the financial year. For general business, it refers to written premiums.

(b) Material change or other commentary on financial performance (if any)

The Branch’s financial performance reflects the performance of its diversified reinsurance portfolio across the Asia-Pacific region during the year. Results were influenced by the normal development of the portfolio, including changes in premium volume, claims paid and inflation, business mix, commission terms, market conditions, and the effect of outwards reinsurance arrangements.

Compared with the prior financial year, gross premiums increased. This movement reflected changes in new business, renewals and the mix of business written during the year. The Branch’s 2025 premium development was supported by new business and expansion in proportional treaty.

Net premiums, which represent the business retained by the Branch after outwards reinsurance arrangements, decreased compared with the prior financial year, due to the increase in ceded premium.

Claims paid changed compared with the prior financial year, principally due to the timing and settlement of claims during the year, together with changes in portfolio mix, large-loss or catastrophe activity, claims frequency or severity, and the effect of outwards reinsurance arrangements. Premium volume and claims paid are each influenced by different factors and should be read together with the complete income statement. Neither figure, on its own, indicates a particular change in the Branch's overall financial performance.

The Branch will continue to monitor premium and claims development as part of its regular business and portfolio review process.

(c) Underwriting Results for general business (for pricing adequacy disclosure purposes)

Underwriting Results of General Business

(Unit: in HKD thousands)	For the financial year ended 31 December 2025									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Gross premium	-	-	-	-	-	-	-	318,638	83,151	401,789
Net premium	-	-	-	-	-	-	-	49,960	13,265	63,225
Net undiscounted best estimate combined business results, relating to current year	-	-	-	-	-	-	-	(25,632)	4,865	(20,767)
Net undiscounted best estimate combined business results, relating to prior year	-	-	-	-	-	-	-	(76,850)	(13,353)	(90,203)
Undiscounted underwriting results - profit / (loss)	-	-	-	-	-	-	-	(101,181)	(4,994)	(106,175)

(Unit: in HKD thousands)	For the financial year ended 31 December 2024									
	Direct insurance							Reinsurance		Total general Business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Gross premium	-	-	-	-	-	-	-	283,783	83,793	367,576
Net premium	-	-	-	-	-	-	-	72,364	1,510	73,874
Net undiscounted best estimate combined business results, relating to current year	-	-	-	-	-	-	-	(28,889)	12,916	(15,973)
Net undiscounted best estimate combined business results, relating to prior year	-	-	-	-	-	-	-	15,291	18,535	33,825
Undiscounted underwriting results – profit / (loss)	-	-	-	-	-	-	-	(13,599)	31,451	17,852

(d) Material change or other commentary on underwriting results (if any)

The Branch's underwriting results for the reporting period reflect the performance of its diversified reinsurance portfolio across the Asia-Pacific region, with a primary focus on Mainland China and Hong Kong. The underwriting result for each line of business reflects the relationship between premiums written, claims incurred, acquisition costs and expenses, and the effect of the Branch's own outwards reinsurance arrangements. Results were influenced by the normal development of the portfolio, including changes in premium volume, claims emergence and business mix.

Compared with the prior financial year, the movement of underwriting results reflected the impact of large-loss events during 2025, together with wider global casualty market trends affecting earlier underwriting years, rather than any change in the Branch's underwriting discipline or reserving approach, both of which remained consistent with prior years. The result reflects the inherent volatility of a catastrophe-exposed reinsurance portfolio and longer-tail liability risks.

During the year, the Branch continued to apply disciplined underwriting standards and risk selection, while actively managing its portfolio in line with its underwriting strategy and risk appetite. There were no material changes to the Branch’s underwriting approach during the reporting period. The Branch will continue to monitor underwriting results by line of business and manage the portfolio in line with its underwriting strategy and risk appetite.

7 Capital adequacy

(a) Prescribed capital amount at total level and risk capital amount ("RCA") by sub-risk, determined in accordance with the Insurance (Valuation and Capital) Rules (without applying the transitional arrangement under Part 7 of the Insurance (Valuation and Capital) Rules)

Prescribed Capital Amount

(Unit: in HKD thousands)	As at 31 December 2025	As at 31 December 2024
Market risk (diversified RCA)	2,312	2,387
Interest rate risk RCA	1,675	1,833
Credit spread risk RCA	-	-
Equity risk RCA	-	-
Property risk RCA	-	-
Currency risk RCA	1,228	1,138
Diversification benefits within market risk	(592)	(584)
Life Insurance Risk (diversified RCA)	-	-
Mortality risk RCA	-	-
Longevity risk RCA	-	-
Life catastrophe risk RCA	-	-
Morbidity risk RCA	-	-
Expense risk RCA	-	-
Lapse risk RCA	-	-
Diversification benefits within life insurance risk	-	-
General Insurance Risk (diversified RCA)	29,521	23,740
Reserve and premium risk RCA	17,351	15,335
Natural catastrophe risk RCA	19,937	14,690
Man-made non-systemic catastrophe risk RCA	-	-
Man-made systemic catastrophe risk RCA	-	-
Mortgage insurance risk RCA	-	-
Diversification benefits within general insurance risk	(7,767)	(6,285)
Counterparty default and other risk RCA	2,689	1,503
Diversification benefits among risk modules	(3,522)	(2,740)
Operational risk RCA	2,256	1,861
Adjustment for loss absorbing capacity cap	-	-
Adjustment for tax effect	(2,744)	(2,207)
Any other items which the IA may specify to adjust	-	-
Prescribed capital amount	30,512	24,544

(b) Composition of capital base determined in accordance with the Insurance (Valuation and Capital) Rules

Capital Base

(Unit: in HKD thousands)	As at 31 December 2025	As at 31 December 2024
Unlimited Tier 1 capital	396,182	676,927
Limited Tier 1 capital	-	-
Tier 2 capital	9,691	-
Capital base	**405,873**	**676,927**

(c) Ratio of capital base to prescribed capital amount

	As at 31 December 2025	As at 31 December 2024
Ratio of capital base to prescribed capital amount	**1,330.20 %**	**2,757.98 %**

(d) Material change or other commentary on prescribed capital amount, capital base, and ratio of capital base to prescribed capital amount (if any)

The Branch assesses its capital adequacy in accordance with the Insurance (Valuation and Capital) Rules (Cap. 41R) and the Hong Kong Risk-based Capital framework. Capital adequacy compares the Branch's capital base with its prescribed capital amount, or PCA. The capital base represents the regulatory capital available to support the Branch's business, while PCA represents the amount of regulatory capital required based on the risks measured under the HKRBC framework.

The Branch's PCA is made up of different risk capital amounts for key risk areas. For the Branch's general insurance business, these mainly comprise general insurance risk, market risk, counterparty default risk and operational risk. As at 31 December 2025, the Branch's PCA was driven principally by general insurance risk, reflecting the nature of the Branch's reinsurance business and its underwriting-related exposures. Market risk and counterparty default risk were less significant contributors, reflecting the Branch's conservative investment approach, limited asset-liability mismatch given the short-tail nature of much of its business, and the nature of its counterparty exposures.

The Branch's capital base continued to exceed its prescribed capital amount throughout the reporting period.

8 Risk Management

(a) Risk appetite and risk governance framework

TRC's ERM framework can be summarized as:
"A systematic framework for TRC's staff, business leaders, executive management, and the Board to identify, assess, quantify, mitigate, and manage the company's risks. ERM also provides a common language to communicate about risk. ERM helps TRC maximize its long-term value and achieve its strategic corporate objectives."

The ERM framework provides principles and standards of ERM at TRC. In the context of the definition outlined above, TRC's ERM Framework ensures that:

- an appropriate risk-reward balance is in place that is consistent with approved corporate risk appetites and tolerances when taking on risks
- an effective system of controls is developed and maintained commensurate with the scale and complexity of TRC
- TRC has in place available tools to measure risks, the quality of risk models

and data accuracy

- breaches are limited, deviations from established policies are minimized and operational incidents are thoroughly investigated and followed up with proportionate mitigating actions when necessary
- there is effective and ongoing oversight of the adequacy of TRC’s capital

The Branch has established its own ERM framework locally that is aligned with TRC’s objectives and ensures compliance with GL21’s requirements and expectations. There have been no material changes in the Branch’s risk and governance framework during the financial year.

Asset and liabilities management
Asset and liabilities management include the risk of the Branch not having sufficient liquid financial resources to meet its obligations as they fall due, or to secure them only at excessive cost. There has been no change in the Branch’s liquidity risk appetite or approach during 2025. With its investment portfolio principally invested in short-term debt securities, the Branch has limited liquidity risk.

The Branch manages and incorporates key aspects of liquidity risk management, including a liquidity risk profile, appetite, tolerances and liquidity MI requirements, in its liquidity risk management framework. Key controls to mitigate this risk include:

- quarterly balance sheet reviews;
- cash flow forecasts; and
- local management oversight and monitoring.

Risk governance framework
The Branch maintains a robust local risk governance framework that includes quarterly local risk committee meetings that comprise the Branch Manager, senior underwriters, claims, finance and actuarial personnel. In addition to these attendees, the local Branch risk and compliance officers also attend these meetings.

Matters considered include key risks to the Branch and the effectives of mitigating controls, adequacy of capital, investment portfolio and performance, major claims, IT, staff matters and an annual review of the Branch’s ORSA. Key matters discussed are reported to TRC’s Corporate Risk Management Committee and in turn escalated to the TRC Board if needed.

(b) Insurance risk management

As a branch of TRC, the Branch adheres to the corporate appetites and tolerances whilst being mindful of its own capital resources and regulatory requirements.

Insurance risk arises from underwriting activities, claims management and the uncertainty surrounding the frequency, severity and timing of insured losses. Material insurance risks are assessed across the portfolio and by key segments, including line of business, geography, cedant and peril. Particular focus is placed on catastrophe and aggregation exposures, which are monitored against approved risk appetite limits and tolerances.

Risk mitigation measures include disciplined underwriting, pricing adequacy reviews, exposure management, portfolio diversification, aggregate monitoring and the use of retrocessional protection where appropriate. Insurance risk management is embedded within the Company's Enterprise Risk Management framework and supported by the three lines of defence model. The Board and senior management oversee risk strategy and appetite, while underwriting, actuarial, risk and compliance functions provide independent oversight to ensure insurance risks remain within approved limits and are managed prudently. In addition, effective 1 January 2023, the Branch entered into an intra-group Quota Share agreement with Fair American Insurance and Reinsurance Company ("FairCo") (part of the TRC group) to transfer substantial extreme losses arising from underwriting activities and to protect its local capital base.

(c) Investment risk management

TRC's investment objective is to preserve capital, maintain adequate liquidity and generate prudent risk-adjusted returns. Investment risks, including market, credit, liquidity, concentration and counterparty risks, are managed within approved risk appetite limits and monitored through regular reviews of asset allocation, credit quality and portfolio concentrations. The Investment Committee of the TRH Board is responsible for reviewing the investment policy and performance of TRC and making periodic reports to the TRH Board.

The Branch's investment risk appetites and tolerances are consistent with TRC's group-wide tolerances and require:

- Maintaining sufficient assets to satisfy regulatory requirements at all times;
- Maintaining the investment portfolio in line with HKIA guidelines and TRC requirements;
- Investing assets backing loss reserves in liquid instruments appropriate to the nature and duration of (re)insurance liabilities.

9 Statement of Compliance

(i) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Transatlantic Reinsurance Company, Hong Kong Branch;

(ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Public Disclosure) Rules and the Insurance (Valuation and Capital) Rules (subject to any variation or relaxation applied thereto);

(iii) I am satisfied that the information in this disclosure statement can be reconciled with the relevant specified annual forms, on each of which an auditor's report is provided, of Transatlantic Reinsurance Company, Hong Kong Branch's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4(1) of the Insurance (Submission of Statements, Reports and Information) Rules; and

(iv) I am satisfied that Transatlantic Reinsurance Company, Hong Kong Branch has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules (as relaxed or varied, if applicable), during the financial year to which this disclosure statement relates.

Name:	**Fiona Au**
Position:	**Controller**
Company Name:	**Transatlantic Reinsurance Company, Hong Kong Branch**