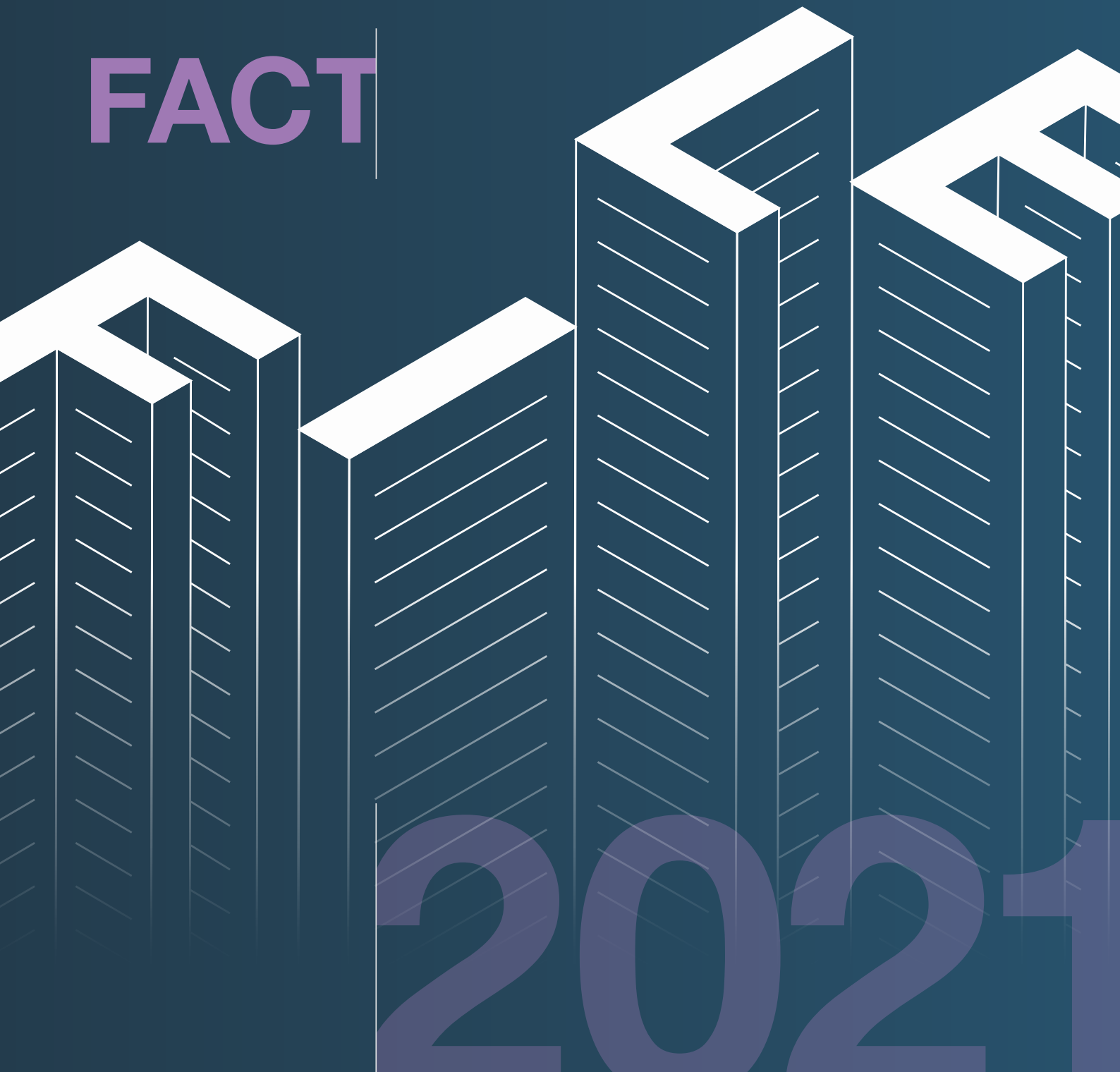


THE INSURANCE IRELAND
FACTFILE 2021

FACT

2021



Contents

3	About Us
4	About Factfile
5	Executive Summary
7	The Irish Insurance Market
11	Life Assurance and Pensions Market
18	General Insurance Market
27	International Market

About Us

INSURANCE IRELAND
THE VOICE OF INSURANCE

Insurance Ireland is the voice of insurance in Ireland, we represent the general insurance, health insurance, life assurance, reinsurance and captive management sectors.

We represent 129 companies providing insurance domestically and internationally from Ireland. Approximately 27,000 people are employed by the sector, directly and indirectly, with one in four jobs in financial services being in insurance. Our members pay out more than €14 billion in claims and benefits to Irish customers annually and contribute over €1.6 billion in tax to the exchequer each year.

Our mission is to represent and enable the development of the insurance sector for customers, our members and the broader economy. Our key functions include:

- Enabling a healthy regulatory and competitive environment.
- Building the insurance sector contribution to society and the economy.
- Enabling the industry to deliver the best outcomes for customers.
- Representing members' interests to government, state agencies, regulatory bodies, public representatives, interest groups, the media and the general public.
- Representing the position of members at a European level, particularly with Insurance Europe, the European association for national representative bodies, and at a global level with the Global Federation of Insurance Associations (GFIA).
- Developing Ireland as a hub for internationally traded insurance and reinsurance through promotional activity, advocacy, collaboration with state agencies and through informing government policy like IFS2025.

About Factfile

Factfile 2021 is part of a series published by Insurance Ireland annually, providing the key facts and figures on the industry in Ireland. This is the twenty-ninth year of publication and the Insurance Ireland Factfile is now a well-established primary source of information on the domestic and international business of insurers based in Ireland. The data is collected from members of Insurance Ireland unless otherwise indicated.

29 YEARS
IN PRODUCTION



Executive Summary

The Irish Insurance Market - A Comparative Overview

- Gross insurance premium income for domestic life and general insurance combined was €18,105m in 2021 compared to €15,907m in 2020 –an increase of 13.82%. Premium income as a percentage of GDP was 4.86%. Premiums per capita increased to €3,772 in 2021 from €3,314 in 2020.
- The capital values of assets in many investment areas increased in 2021. Assets comprising life policyholders' funds and general insurance technical reserves were €164.4bn at the end of the year.
- The insurance sector is a major employer in the Irish economy. Insurance Ireland life and general insurance member companies employed over 12,136 people in Ireland. In addition, significant numbers are employed in the wider insurance industry e.g. broking, loss adjusting and assessing, and in outsourced service providers.
- International life members wrote €21,338m of gross insurance premium internationally while our International general insurance members' gross premium income was €14,283m.
- Insurance Ireland re/captive members wrote a premium income of €18,263.7m. Insurance Ireland health members wrote a gross premium income of €2,942m in Ireland in 2021.

Life Assurance and Pensions Market

- Our life assurance members' aggregate domestic premium income was €14,283m for 2021, which is an increase of 16.35% on the previous year (€12,276m).
- New annual premium (AP) business was €1,120m, up 26.13% from €888m in 2020.
- New Single premium (SP) business was €9,540m, up 18.94% from €8,021m in 2020.
- New business annual premium equivalent (AP sales + 10% of SP sales) increased 22.71% to €2,075m compared with €1,691m in 2020.
- €9,830m was paid out by life assurance companies in benefits and claims in 2021. These payments and benefits cover a wide range of areas.

- The total value of life assurance protection in force at the end of 2021 was estimated at €526.1bn, compared to €510.5bn at the end of 2020, which is an increase of 3.1%.
- The aggregate value of policyholders' funds managed by life members increased by 15.2% to €156,401m in 2021. The value of equity investments, which represented 67.08% of total policyholders' funds at the end of 2021, increased by 24.86% from €84,019m in 2020 to €104,908m in 2021.
- The value of life insurance funds invested in gilts increased by 5.13% to €34,805m. Gilts now represent 22.25% of life assurance investments.
- Cash holdings decreased from 7.35% in 2020 to 5.8% in 2021, with a value of €9,069m.
- Property assets decreased from €4,122m in 2020 to €3,661m in 2021. This represents 2.34% of total life assurance investments.

General Insurance Market

- Our 17 domestic general insurance members wrote gross premium of €3,822m in 2021 (up 5.3% on 2020). Gross incurred claims costs were €2,036m in 2021 (down 13.4% on 2020).
- Motor insurance remains the largest class of general insurance with gross written premium of €1,790m (46.8% of all General business). Property is the second largest class of General business (26.1%). Liability insurance accounts for 19.9% of general business and is the third largest class.
- Net written premium (i.e. total premium after reinsurance costs have been deducted) was €2,692m in 2021 (up 10.1% on 2020). Net earned premium was €2,666m in 2021 (up 8.6% on 2020).
- The number of new claims notified to Insurance Ireland members was 310,296. 58% of new claims were motor claims while 18% were made on property insurance policies (household and commercial property).
- Net incurred claims costs amounted to €1,464m (down 6.8% on 2020) leading to a net underwriting profit in 2021 of €428m compared with a net underwriting profit of €180m in 2020. After investment income is added, the market made a net operating profit of €511m in 2021 compared with a net operating profit of €228m in 2020.

International Life Assurance Market

- Most of the international premium income is new single premium income. In 2021, the figure for Insurance Ireland's International life members was €21,029m which is an increase of 48.36% on 2020 figure of €14,174m. Annual premium income for 2021 was €309m. This is an increase on the figure for 2020 of €210m.
 - Over the five-year period from 2017-2021, single premium business increased from €18,424m in 2017 to €21,469m in 2021. Annual premium income increased from €952m to €13,886m over the same period.
 - 90% of international single premium income is represented by unit linked single premium business (Class III).
-

Health Insurance Market

- Our three health insurer members write approximately 100% of health insurance in the domestic market. Combined, they wrote a gross premium income of €2,942m in 2021. Gross Incurred Claims in 2021 amounted to €2,154m. At the end 2021 the number of people with private health insurance inpatient cover was 2,365m – approximately 46% of the population.



The Irish Insurance Market

This chapter provides an overview of trends in the Irish insurance market, both from a recent historical perspective (2017-2021). In addition, data is provided which sets the insurance sector in the context of the wider economy in terms of Gross Domestic Product (GDP), premiums per

head of population and employment. The insurance data presented in this chapter is provided by our domestic insurance members and does not represent international or health insurance members.

THE INSURANCE MARKET IN THE ECONOMY

2021 Premium Income - Life and General

Year	Life	General	Total
Gross Premium Income (€m)	14,283.0	3,822.0	18,105.0
Premium Income: GDP (%)	3.83	1.03	4.86
Premiums per capita (€)	2,976	796	3,772
Investments* (€m)	156,401	8,078	164,479

* Policyholders' funds (life assurance) and Technical Reserves (general) at 31st December 2021

Gross insurance premium income for life and general insurance combined was €18,105m, compared to €15,907m in 2020 an increase of 13.8%. Premium income as a percentage of GDP was 4.86%. Premiums per capita increased to €3,772 in 2021 from €3,314 in 2020.

The capital values of assets in many investment areas increased in 2021. Assets comprising life policyholders' funds and general insurance technical reserves was €164.5bn at the end of the year.

Insurance Ireland Members' Gross Premium Income 2017-2021

Year	Life €m	General €m	Total €m
2017	11,553.0	3,511.0	15,064.0
2018	11,840.5	3,570.0	15,410.5
2019	11,650.2	3,715.0	15,365.2
2020	12,276.4	3,631.0	15,907.4
2021	14,283.0	3,822.0	18,105.0

Life gross premium income increased from €11,553m in 2017 to €14,283m in 2021. General insurance gross written premium increased from €3,511m in 2017 to €3,822m in 2021.

Gross Premium Income and Domestic Product 2017-2021

Year	Gross Insurance Premium Income €m	GDP * €m	Premium Income:GDP %
2017	15,064.4	294,110	5.1%
2018	15,410.3	324,038	4.8%
2019	15,364.9	345,184	4.5%
2020	15,907.4	372,869	4.3%
2021	18,105.0	426,283	4.2%

Market combined life and general insurance premium income increased during 2017 to 2021. Premium income as a percentage of GDP was 4.2% in 2021.

Life & General Premiums as a Percentage of GDP for Ireland 2017-2021

Year	Life Premium as % of GDP	General Premium as % of GDP	Total w/out Intl %
2017	3.9	1.2	5.1
2018	3.7	1.1	4.8
2019	3.4	1.1	4.5
2020	3.3	1.0	4.3
2021	3.4	0.9	4.2

Life premiums as a percentage of GDP were 3.4% in 2021, down 0.2% from 2017. General premiums as a percentage of GDP were 0.9% in 2021, which is slightly less than 2017 level.

Year-End Value of Investments

	2017 €bn	2018 €bn	2019 €bn	2020 €bn	2021 €bn	% Change p.a.
Life	114.811	112.346	131.153	135.712	156.401	5
General	6.763	6.832	7.358	7.839	8.077	6
Total	121.574	119.178	138.511	143.551	164.478	5

The value of life policyholders' funds increased from €114.8bn in 2017 to €156.4bn in 2021, an average growth rate of 5% over the period. General insurance technical reserves increased from €6.7bn in 2017 to €8bn in 2021, with an average percentage change of 6% over the years.

The total value of life and general insurance assets was €164.5bn in 2021.

Life Assurance Benefits and Claims Paid 2017-2021

Year	Amount €m
2017	9,428
2018	9,676
2019	9,691
2020	8,984
2021	9,830

€9,830m was paid out by life assurance companies in benefits and claims in 2021. These payments and benefits cover a wide range of areas, including:

- Income and payouts on investment policies for policyholders.
- Payment of death benefits which protect family income.
- Payment of annuity income to pension policy holders.
- Repayment of mortgages in the event of death of a policyholder.
- Lump sum payouts to policyholders with serious illness cover.

General Insurance Premiums and Claims 2017-2021

Year	Gross Earned Premium €m	Gross Incurred Claims €m
2017	3,440	2,069
2018	3,552	2,010
2019	3,663	2,209
2020	3,625	2,352
2021	3,759	2,036

Gross earned premium for general insurance increased from 2017 to 2021 to stand at €3,759m.

Gross incurred claims were €2,036m in 2021 – slightly below 2017 levels.

Employment in Insurance Companies in Ireland

Employment in Insurance Companies in Ireland as at 31st December 2021	
Life	6,346
General	5,790
Total	12,136

The insurance sector is a major employer in the Irish economy. Insurance Ireland life and general insurance member companies employed 12,136 people in Ireland. In addition, significant numbers are employed in the wider insurance industry e.g. broking, loss adjusting and assessing, and in outsourced service providers.

Life Assurance and Pensions Market

2017-2021

GLOSSARY OF LIFE ASSURANCE TERMS

Annual/Regular Premium Policy

A policy under which the policyholder makes annual/regular payments of premium to finance life assurance protection cover or to build up an investment or retirement fund.

Annual Premium Equivalent (APE)

An industry standard formula for calculating levels of new life and pensions business over a period of time, to smooth out the effect of large, one-off payments. It is the total of new annual premiums plus 10% of single premiums.

Critical Illness Insurance

Critical illness insurance pays the policyholder an agreed sum if he/she contracts one of the serious illnesses specified in the policy documentation. Typical illnesses covered include cancer, stroke, heart attack, multiple sclerosis and kidney failure.

Industrial Branch Business

This refers to regular premium protection business where the life assurance company representative collects premiums, usually on a weekly basis. The importance of this type of business has declined over the years.

Intermediary

An intermediary is a broker or agent who advises clients about their insurance needs, helps them to select the most appropriate policy and provides an ongoing service in all subsequent matters relating to the policy.

Maturity Value

This is the final value of a savings policy if it is allowed to run for the full term specified in the contract.

Pensions/Annuities

For many people, the income they receive from the State on retirement will not be sufficient to support them. For this reason, many people choose to provide for their retirements by taking out pensions with a life assurance company. One of the options at retirement is an annuity – an insurance contract which provides an income for life.

Income Protection Insurance

Income Protection Insurance (also known as Permanent Health Insurance) is a protection policy that provides an income if the policyholder is unable to work because of sickness or disability. Each policy includes a “deferred period”. The individual must be off work because of illness for longer than the deferred period before an income is payable under the policy. The deferred period is usually 13, 26 or 52 weeks. Cover is available on an individual or group basis (e.g. where an employer establishes a scheme for employees).

Personal Retirement Savings Accounts

Personal Retirement Savings Accounts (PRSAs) are flexible personal pensions.

Single Premium

A lump sum life investment or pension policy under which the policyholder makes a one-off payment to the life office. The life office uses the money to provide life assurance protection or invests it on the policyholder’s behalf for repayment, with investment gains, at the end of the policy term (or in the case of a pension, purchases retirement benefits for the policyholder at retirement).

2021 Key Life and Pensions Statistics

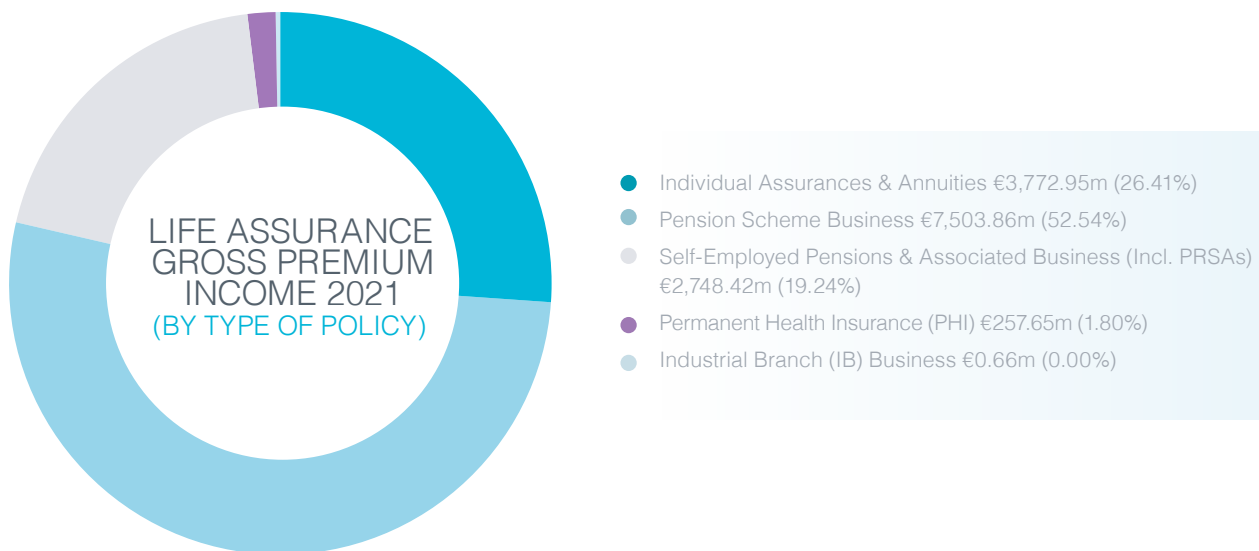
	New Business (€m)			Total Annual Premium €m (3)	All Business €m (2) +(3)
	Annual Premium (1)	Single Premium (2)	A.P.E. (1)+10% of (2)		
Individual Assurances and Annuities	178.60	2,320.95	410.69	1,452.00	3,772.95
Pension Scheme Business	762.21	5,067.68	1,268.98	2,436.19	7,503.87
Self-employed Pensions (Incl. PRSAs)	146.61	2,151.86	361.80	596.56	2,748.42
Permanent Health Insurance	33.03	0.00	33.03	257.65	257.65
Industrial Branch Business	0.00	0.00	0.00	0.66	0.66
Total	1,120.45	9,540.48	2,074.50	4,743.06	14,283.54

Our life assurance members' aggregate domestic premium income was €14,283m for 2021, which is an increase of 16.35% on the previous year (€12,276m).

New annual premium (AP) business was €1,120m, up 26.13% from €888m in 2020.

New Single Premium (SP) increased 5% to €9,540m in 2021 from €8,021m in 2020.

New business annual premium equivalent (AP sales + 10% of SP sales) increased 22.71% to €2,075m compared with €1,691m in 2020.

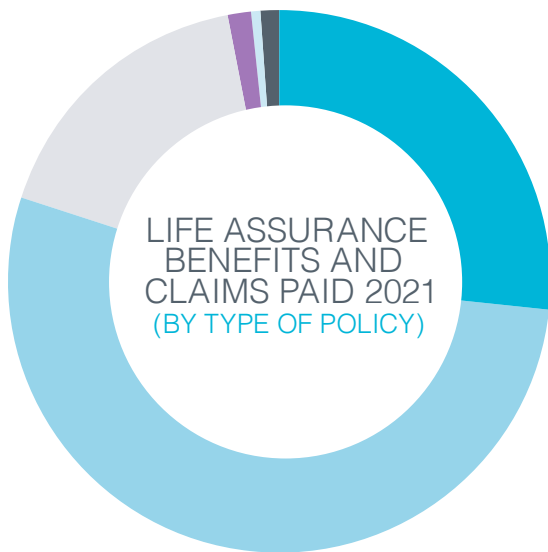


Pension scheme business (53%) and individual assurances and annuities (26%) continue to be the two main segments of life assurance gross premium income.

The self-employed pensions & associated business (including PRSAs) segment remained steady at 19% in 2021.

Premium income from Permanent Health Insurance (PHI) as a percentage of life assurance gross premium income fell from 2.25% to 1.8% in 2021.

Industrial branch business remained at 0%.



- Individual Assurances & Annuities €2,632m (26.78%)
- Pension Scheme Business €5,300.30m (53.92%)
- Self-Employed Pensions & Associated Business (Incl. PRSAs) €1,643.00m (16.71%)
- Permanent Health Insurance (PHI) €147.40m (1.50%)
- Industrial Branch (IB) Business €11.10m (0.11%)
- Critical Illness €96.00m (0.98%)

€9,830m in benefits and claims was paid by domestic life assurance companies during 2021, an increase of 9.4% on 2020. These payments and benefits cover a wide range of products which take a number of forms, for example: one-off lump sum payments to policyholders in the event of serious illness; or, in the case of pensions, the payment of regular incomes to policyholders/beneficiaries.

Most claims were paid under individual assurance/ annuity contracts (26.78%, down from 30.6% in 2020) and pension schemes (53.92%, up from 51% in 2020), followed by self-employed pensions and associated business (16.71%, up from 15.4% in 2020).

Claims under individual assurance/annuity contracts were down 4% from 2020 to €2,632m in 2021.

Claims under self-employed pensions and associated business increased by 19% from €1,381m in 2020 to €1,643m in 2021. Pension scheme business increased by 15.64% to €5,300m from €4,583 in 2021. There was a 8.6% decrease in serious illness pay-outs (to €96m) in 2021.

The total value of life assurance protection in force at the end of 2021 was estimated at €526.1bn, compared to €510.5bn at the end of 2020, which is an increase of 3.1%.

Benefits and Claims by Type (€m) 2021	
Surrenders and Maturities	7,836.00
Death / Critical Illness Claims	1,099.00
Annuities	895.00
Total	9,830.00

This chart provides a breakdown of benefits and claims by type:

- The largest category is benefits paid on policy surrenders and maturities, with €7,836m paid in 2021 (an increase of 10.24% on 2020). This category represents 79.75% of total payments made in 2021.
- Death and serious illness claims under protection contracts amounted to €1,099m, an increase of 8.7% on 2020.
- Annuity payments totalled €895m, an increase of 3.5% on 2020.

Sources of Life Assurance Business 2021

		Brokers %			Agents %			Tied Agents %			Employee & Company Representatives %			Direct %		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Annual Premium	Life	8	10	11	0	0	0	11	8	9	2	2	2	0	0	0
	Pensions	38	45	40	0	0	1	12	9	12	15	11	13	12	14	13
	Total	46	55	51	0	0	1	23	17	21	17	13	15	12	14	13
Single Premium	Life	2	4	5	0	0	0	2	1	2	2	2	2	58	62	51
	Pensions	21	15	24	0	0	0	1	1	2	2	3	2	12	12	13
	Total	23	19	29	0	0	0	3	2	4	4	5	4	70	74	64

The chart provides a breakdown of the proportion of new business written through the various sales channels. In 2021, brokers' new business market share decreased by four percentage point to 51% for annual premium (AP) business, and increased by ten percentage points for single premium (SP) business to 29%.

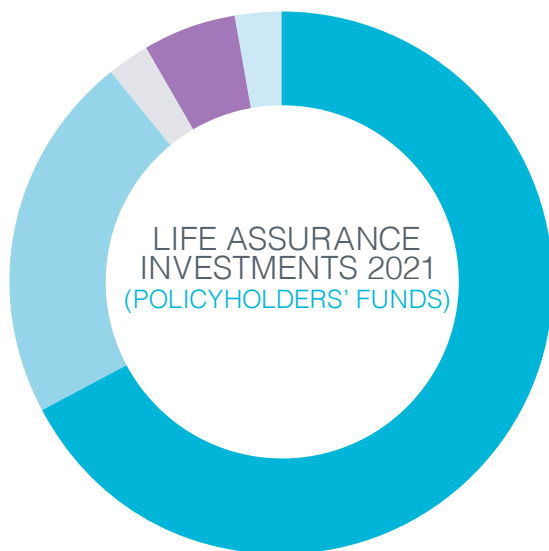
Brokers' AP pensions business decreased to 40% in 2021. SP pensions business increased to 24% in 2021. AP for life business increased to 11% and SP life business increased to 5%.

Life office employees and company representatives (direct sales force) saw their share of AP increase from 13% in

2020 to 15% in 2021. Their share of SP business decreased to 4% in 2021, down from 5% in 2020.

Direct sales, other than through employed salespeople (e.g. telephone, internet and direct response sales), decreased to 13% in 2021, while their SP decreased to 64%, a decrease of ten percentage points from 2020. Independent agents' AP business went up to 1% in 2021, while their SP business also remained at 0%.

The percentage of AP business written through tied agents increased to 21% in 2021 from to 17% in 2020 while SP business written via tied agents increased to 4% in the same period from 2% in 2020.



- Equities €104,908m (67.08%)
- Gilts (Bonds) €34,804m (22.25%)
- Property €3,661m (2.34%)
- Cash €9,069m (5.80%)
- Other €3,959m (2.53%)

The aggregate value of policyholders' funds managed by Insurance Ireland's Life Members increased by 15.2% to €156,401m in 2021. The value of equity payments, which represented 67% of total policyholders' funds at the end of 2021, increased by 5% from €84,019m in 2020 to €104,908m in 2021.

The value of life insurance funds invested in gilts increased by 5.13% to €34,805m. Gilts now represent 22.25% of life assurance investments.

Cash holdings have reduced to 5.8% of all life assurance holdings, with a value of €9,069m. Property assets decreased from €4,122 in 2020 to €3,661m in 2021. This represents 2.34% of total life assurance investments.

Investments (Policyholders' funds) by Type & Location 2021

	Irish €m	Foreign €m	Total €m
Equities ¹	24,363	80,545	104,908
Gilts ²	3,665	31,139	34,804
Property ³	2,971	690	3,661
Cash	1,917	7,152	9,069
Other	3,000	959	3,959
Total	35,916	120,485	156,401

¹ Inc. preference, guaranteed and ordinary stocks and unit trusts

² Inc. Government, local & public authority securities

³ Inc. own use buildings, office, residential, commercial and individual investment properties and debenture stocks

This table illustrates the breakdown of investments by type and location. 22.96% of investments were in Ireland in 2021 with a total value of €35,916m compared to €30,421m in 2020. Foreign investments in 2021 were €156,401m representing 77.04% of total investments.

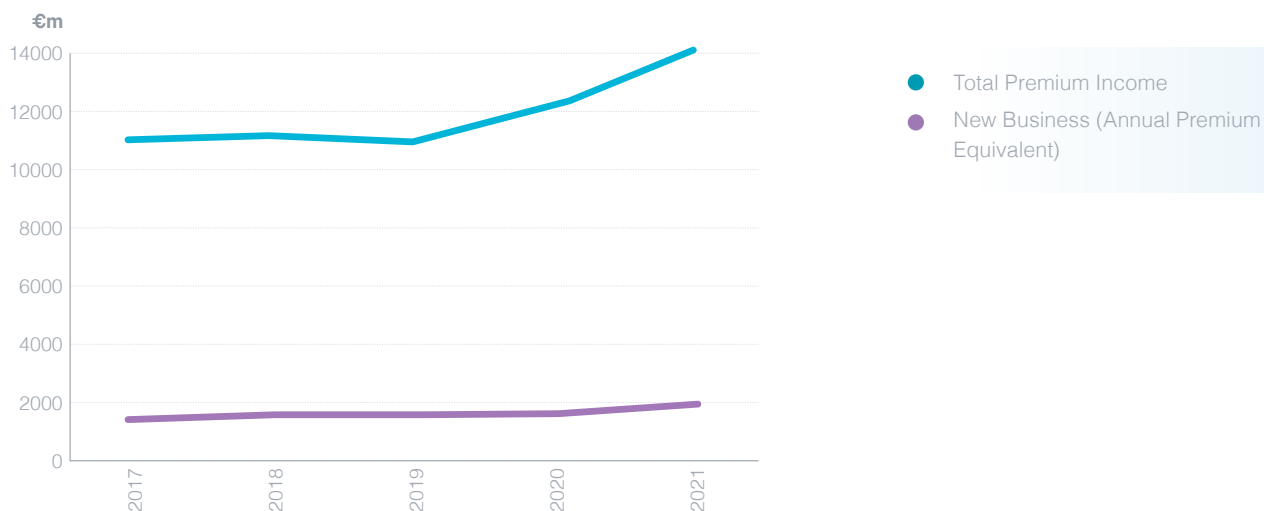
67.83% of domestic investments are in equities, while 8.27% is in property holdings and 5.4% were in cash. Gilts were 10.2% of Irish investments in 2021.

67% of the foreign holdings are equities. The second largest foreign asset class is gilts at 22.25%. The proportion of foreign holdings invested in property in 2021 was 2.34%, while the percentage invested in cash was 5.8%.

Market Trends 2017 – 2021

	2017 €m	2018 €m	2019 €m	2020 €m	2021 €m	Annual Change 2017-2021 %
Premium Income (Annual Premium Business)	3,319	3,607	3,991	4,255	4,743	9.35%
Premium Income (All Business)	11,553	11,841	11,650	12,276	14,284	5.65%
New Business						
Annual Premiums	694	790	862	888	1,120	13.02%
Single Premiums	8,234	8,234	7,659	8,021	9,540	4.17%
Annual Premium Equivalent (APE)	1,517	1,613	1,628	1,690	2,075	8.46%
Benefits & Claims	9,428	9,676	9,691	8,984	9,830	1.23%

Life Assurance Premium Income 2017 – 2021



Aggregate premium income amounted to €14,284m in 2021, resulting in an average increase of 5.65% p.a. over the five year period from 2017-2021.

New annual premium business increased from €694m in 2017 to €1,120m in 2021, representing an average increase of 13.02% p.a. over this period.

On an annualised basis, new SP business expanded by an average of 4.17% p.a. between 2017 and 2021.

New business on an Annual Premium Equivalent (APE) basis has increased from €1,515m in 2017 to €2,075m in 2021, equivalent to an average increase of 8.46% p.a. over five years.

Benefits and claims paid increased from €8,984m in 2020 to €9,830m in 2021.

Over the five-year period claims payments increased by an average of 1.23% p.a.

Investments (by Type) % of Total Value

Asset Category	2017	2018	2019	2020	2021
Equities ¹	58.1	55.9	60.3	61.9	67.1
Gilts ²	23.5	24.4	24.6	24.4	22.3
Property ³	4.3	4.8	3.8	3.0	2.3
Cash	9.8	10.4	7.7	7.4	5.8
Other	4.3	4.5	3.6	3.3	2.5
Total	100	100	100	100	100

¹ Inc. preference, guaranteed and ordinary stocks and unit trusts

² Inc. Government, local & public authority securities

³ Inc. own use buildings, office, residential, commercial and individual investment properties and debenture stocks

Investment in equities as a proportion of total policyholders' funds increased over the five-year period from 58.1% in 2017 to 67.1% in 2021.

Gilts decreased over the same period, from 23.5% in 2017 to 22.3% in 2021.

Property assets, which stood at 4.3% in 2017, fell over the period to 2.3% in 2021.

Cash holdings decreased to 5.8% in 2021, compared to 9.8% in 2017.

Investment Trends (by Location) 2017 - 2021

% of total value	2017	2018	2019	2020	2021
In Ireland	19.1	19.7	21.1	22.42	22.96
Outside Ireland	80.9	80.3	78.9	77.58	77.04

Policyholder's funds invested in Ireland increased from 19.1% in 2017 to 22.96% in 2021. Approximately 77% of assets by value are foreign.

Insurance Ireland Life Members' Gross Premium Income 2021

Companies	Life Business			Pensions Business		Total €'000
	Annual Premium €'000	Single Premium €'000	Industrial Branch €'000	Annual Premium €'000	Single Premium €'000	
Acorn Life	55,796.46	24,352.26	0	30,026.49	17,256.36	127,431.57
Ark Life	60,230.86	0	0	22,722.92	2,353.88	85,307.67
Aviva Life & Pensions	256,981.19	211,650.55	0	277,919.19	942,841.30	1,689,392.23
Irish Life	551,825.03	625,515.25	0	1,473,099.41	1,750,068.44	4,400,508.13
New Ireland	358,793.16	833,744.71	0	530,432.63	945,179.82	2,668,150.31
Royal London	94,389	2,077	661	1,767	0	98,894
Standard Life	17,381.29	132,282.84	0	59,900.61	689,541.08	899,105.82
Zurich Life	314,258.03	491,326.68	0	636,876.48	2,872,290.17	4,314,751.36
Total	1,709,655.02	2,320,949.28	661	3,032,744.74	7,219,531.05	14,283,541.1

General Insurance Market

2017-2021

GLOSSARY OF GENERAL INSURANCE TERMS

Commission

The money paid out to an insurance intermediary in recognition of the business written by the insurer through the agency of the intermediary.

Cost of Claims Incurred

The total amount paid out in claims during a given period, plus the movement in technical reserves during that period. For example, if an insurer pays out €10m in claims during 2021, and technical reserves stood at €50m at the beginning of the year and increase to €55m by the end of the year, then the insurer's claims incurred cost for 2021 would be €15m (€10m + €(55m-50m)).

Management Expenses

The internal expenses of an insurer incurred in acquiring and servicing insurance business.

Operating Result

A general insurer's profit or loss after its investment income has been added to its underwriting result.

Gross and Net Premium

Gross premium is the total amount of premium income of an insurer. Net premium is the premium retained by the insurer after it pays for its reinsurance protection. Similarly, gross claims costs are the total claims costs for which the insurer is liable under the policies it issues. Net claims costs take account of reinsurance claims recoveries due to the insurer from its reinsurers.

Written and Earned Premium

For example, if an insurance company issues a 12 month policy for a premium of €500 on 1st January 2021 the written premium for 2021 will be €500 and so will the earned premium. But if the same policy is issued on 1st July 2021 the written premium will be €500 but the earned premium will only be €250; the other half of the premium will be allocated to an unearned premium reserve which will be credited to 2022 earned premium. This is because half of the premium is in respect of the exposure to loss during the first half of 2022.

Reinsurance

Insurance protection bought by an insurer to limit its own exposure. The availability of reinsurance protection allows an insurer to expand its own capacity to take on risk. Without a reinsurance facility, each insurer would be able to accept less business.

Technical Reserves

The amounts insurers hold against future payment of claims. There is supervisory control by the Central Bank of Ireland of the proper estimation of outstanding claims and the nature and spread of assets which can be used to cover technical reserves.

Underwriting Result

A general insurer's underwriting result is the profit or loss left after the cost of incurred claims, management expenses, commissions and other costs are deducted from earned premium income.

2021 Key General Statistics

CLASS	Premiums			Claims		Net Underwriting Result €m	Estimated Investment Income €m	Estimated Net Operating Result €m
	Written		Earned	Net Incurred	No of New Claims Notified			
	Gross €m	Net €m	Net €m	€m				
Private Motor	1,315.7	1,012.7	1,036.6	555.9	126,939	203.7	26.6	230.3
Comm Motor	474.4	374.5	374.2	191.9	54,488	85.5	9.8	95.4
All Motor	1,790.2	1,387.1	1,410.8	747.8	181,427	289.2	36.4	325.6
Household	497.8	339.1	335.3	221.8	37,953	1.4	4.3	5.7
Comm Property	501.4	290.3	274.5	138.9	18,377	49.7	17.2	66.9
All Property	999.2	629.4	609.8	360.7	56,330	51.1	21.5	72.6
Employer's Liability	245.9	158.5	152.3	112.4	4,207	-5.7	6.1	0.4
Public Liability	514.2	330.3	318.0	180.0	11,282	51.7	16.4	68.1
All Liability	760.1	488.8	470.3	292.4	15,489	46.0	22.5	68.5
PA/Travel	91.3	79.6	75.2	25.4	12,363	26.2	1.3	27.5
Other Business	181.6	106.8	100.0	37.2	44,687	15.8	1.0	16.8
Total	3,822.3	2,691.7	2,666.1	1,463.5	310,296	428.3	82.8	511.1

Overview of General Insurance Results for 2021

Insurance Ireland's 17 domestic general insurance members wrote gross premium of €3,822m in 2021 (up 5.3% on 2020). Gross incurred claims costs were €2,036m in 2021 (down 13.4% on 2020).

Motor insurance remains the largest class of general insurance with gross written premium of €1,790m (46.8% of all general business). Property is the second largest class of general insurance business (26.1%). Liability insurance accounts for 19.9% of general insurance business and is the third largest class.

Net written premium (i.e., total premium after reinsurance costs have been deducted) was €2,692m in 2021 (up 10.1% on 2020). Net earned premium was €2,666m in 2021 (up 8.6% on 2020).

The number of new claims notified to Insurance Ireland members was 310,296. 58% of new claims were motor claims while 18% were made on property insurance policies (household and commercial property).

Net incurred claims costs amounted to €1,464m (down 6.8% on 2020) leading to a net underwriting profit in 2021 of €428m compared with a net underwriting profit of €180m in 2020. After investment income is added, the market made a net operating profit of €511m in 2021 compared with a net operating profit of €228m in 2020.

Motor Insurance

Gross written premium for motor insurance was €1,790m in 2021 (up 0.4% on 2020). 73% of motor insurance gross written premium is accounted for by private motor business with the remaining 27% derived from commercial motor business. Net earned motor premiums amounted to €1,411m in 2021 (up 5.1% on 2020).

The number of new motor claims notified during 2021 was 181,427 (up 11.3% on 2020).

The motor net underwriting profit was €289.2m in 2021 compared with a net underwriting profit of €273.6m in 2020.

Property Insurance

The property insurance class is the second largest sector in the Irish general market after motor insurance. The property insurance market is split equally between household and commercial property. Insurance Ireland members wrote gross property insurance premium of €999.2m in 2021 (up 7% on 2020). The property insurance market recorded a net underwriting profit of €51.1m in 2021 compared with a net underwriting loss of €144.3m in 2020.

Liability Insurance

Insurance Ireland members wrote gross liability premium of €760m in 2021 (up 11.3% on 2020). Net earned premium was €470m (up 15.7% on 2020).

Net incurred claims amounted to €292m in 2021 (up 6.6% on 2020). Liability insurers made a net underwriting profit of €46m in 2021 compared with a net underwriting profit of €18m in 2020.

Other General Lines

Insurance Ireland members wrote €91m of personal accident and travel insurance in 2021. This class of business generated a net underwriting profit of €26.2m in 2021 compared with a net underwriting profit of €16.2m in 2020.

Other classes of general business, including marine, aviation and transit (MAT), credit and suretyship, other financial loss covers and legal expenses insurance accounted for €182m in gross written premium in 2021 (up 26.3% on 2020). These classes of business produced a net underwriting profit of €15.8m in 2021 compared with a net underwriting profit of €7.2m in 2020.

INSURANCE OPERATING RATIOS

General Insurance Operating Ratios 2021

	Claims Ratio %	Commission Ratio %	Management Expenses Ratio %	Combined Operating Ratio %
Total	54.9	8.3	20.4	83.6
Motor	53.0	5.6	21.3	79.9
Liability	62.2	8.8	18.2	89.2
Property	59.1	11.7	19.8	90.6
PA/Travel	33.8	13.1	16.6	63.5
Other	37.2	18.6	25.4	81.2

A number of key ratios are used to assess the cost of claims, and the efficiency and profitability of general insurance business.

- The **claims ratio** measures the cost of claims incurred as a proportion of premiums earned. In 2021 the Insurance Ireland general market produced a net claims ratio of 55%. In other words, claims cost 55 cent out of every €1 earned in premium. The claims ratio varied between sectors: in motor insurance it was 53 % while in liability and property the claims ratio was 62.2% and 59.1% respectively.
- The **management expenses** and **commission ratios** are calculated by comparing the internal management expenses of insurance companies and commissions paid to intermediaries with premiums. In 2021 the net commission ratio was 8.3% and the net management expenses ratio was 20.4%.
- The **net combined** or **operating ratio** combines the claims, commissions and management expenses ratios. The operating ratio for the general market was 83.6% in 2021. In other words, this meant that the general market made a profit of 16.4 cent on underwriting insurance for every €1 of premium in 2020.

General Insurance Market Results 2017-2021

	Gross Written Premium €m	Net Underwriting Result €m	Investment Income €m	Operating Result €m	Profit Premium %
2017	3,511	126	101	227	6.47%
2018	3,570	180	91	271	7.59%
2019	3,715	192	120	312	8.40%
2020	3,631	171	57	228	6.28%
2021	3,822	428	83	511	13.37%
5 Years	18,249	1,097	452	1,549	8.49%

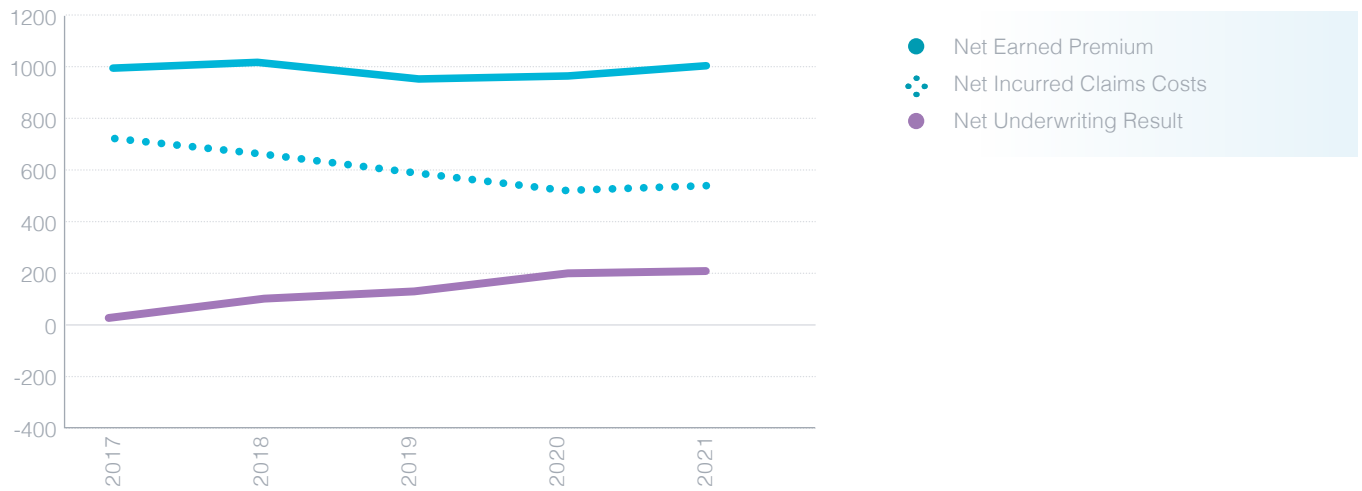
The chart illustrates the net underwriting result, investment income attributable to the underwriting account and the operating result for the general business market for the

years 2017 to 2021. After investment income is taken into account, the 17 general insurers made a net operating profit of €511m in 2021.

Private Motor 2017-2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	989	717	26
2018	1,009	654	98.6
2019	958	594	118
2020	979	521	201
2021	1,036	556	204

Private Motor 2017-2021



The private motor market was profitable in 2021, showing a net underwriting profit of €204m. In the five years to 2021

the net underwriting result in private motor was a profit of €648m.

Commercial Motor 2017 - 2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	345	237	34
2018	365	222	59
2019	367	243	35
2020	363	201	72
2021	374	192	85

Commercial Motor 2017 – 2021

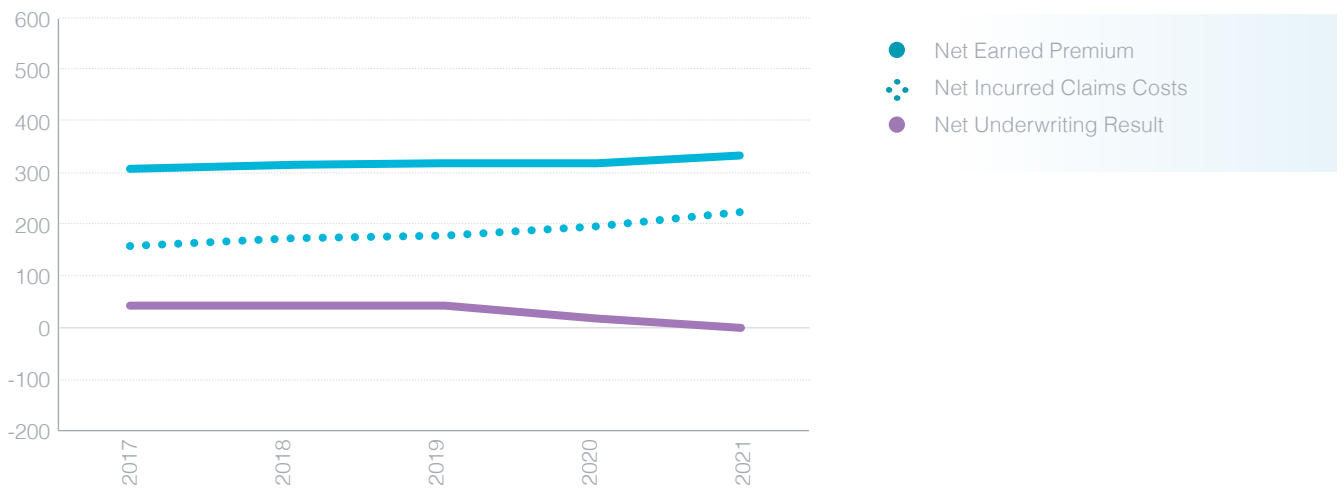


Commercial motor made a net underwriting profit of €85m in 2021 and a net underwriting profit of €285m over the five years 2017-2021.

Household 2017 – 2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	303	154	46
2018	307	164	43
2019	317	169	46
2020	319	198	13
2021	335	222	1

Household 2017 – 2021



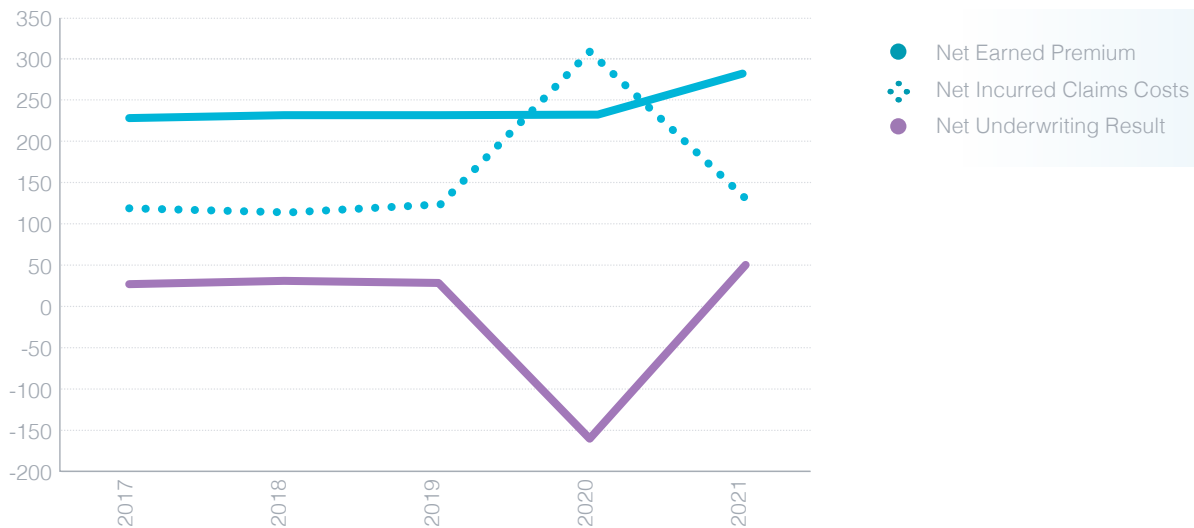
The net underwriting result in household has been positive over the past five years but the underwriting profit fell to €1m in 2021 while the commercial property result improved to a net underwriting profit of €50m in 2021 following heavy

underwriting losses in 2020 due in large part to Covid-19 business interruption claims.

Commercial Property 2017-2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	231	121	27
2018	237	117	37
2019	237	127	27
2020	239	310	-158
2021	274	139	50

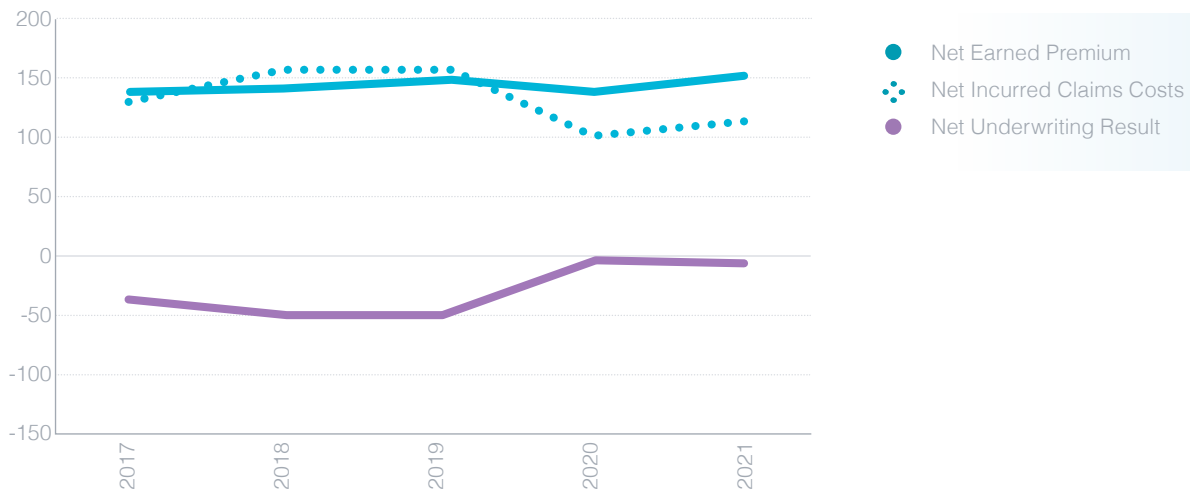
Commercial Property 2017-2021



Employer's Liability 2017- 2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	140	133	-34
2018	147	155	-49
2019	150	155	-50
2020	140	101	-2
2021	152	112	-6

Employer's Liability 2017- 2021

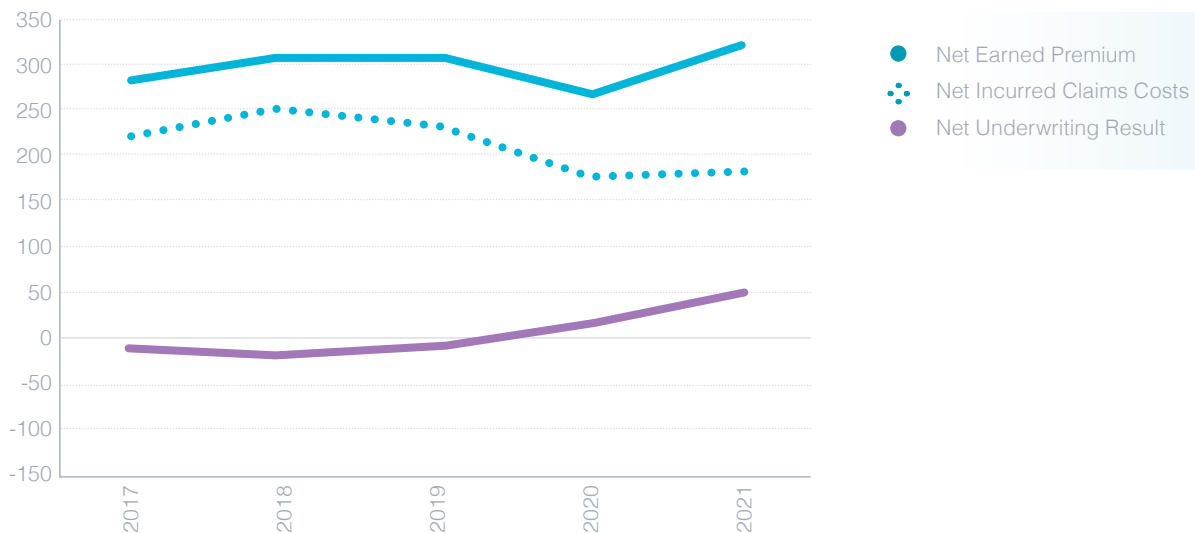


There has been a net underwriting loss in employer's liability over each of the last five years with underwriting losses totalling €141m over the period.

Public Liability 2017-2021

	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	286	227	-13
2018	309	252	-20
2019	306	235	-6
2020	266	173	20
2021	318	180	52

Public Liability 2017-2021

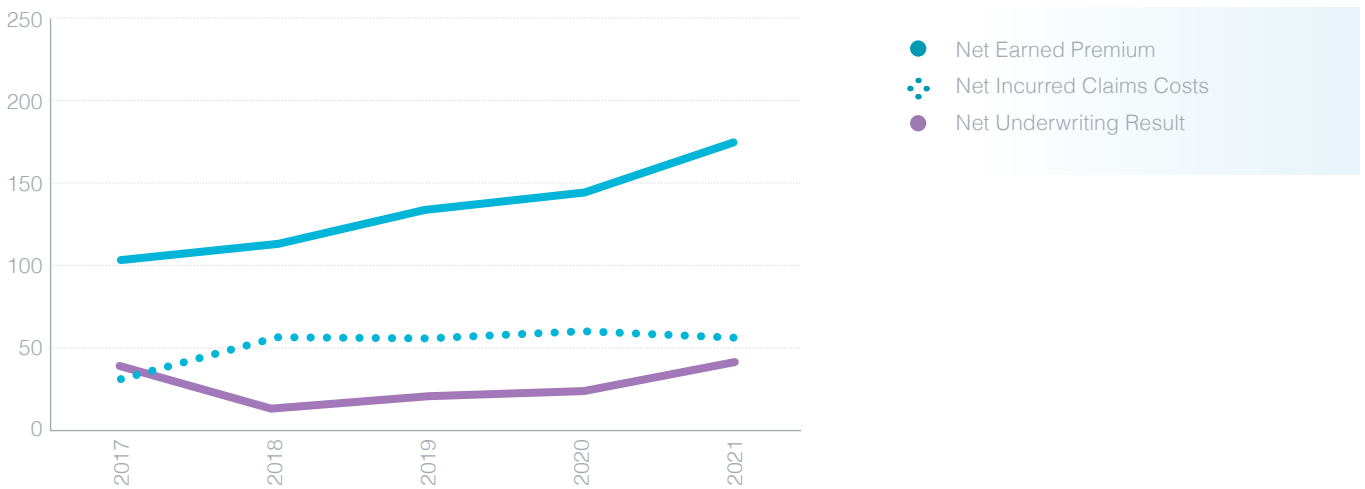


The public liability net underwriting result in 2021 was positive in 2021 but underwriting losses over the five year period amounted to €33m.

Other Classes 2017 – 2021

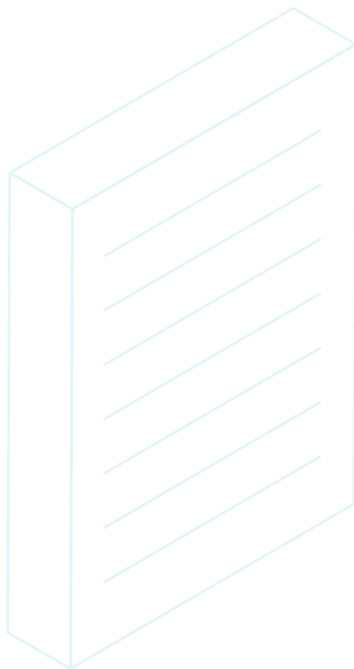
	Net Earned Premium €m	Net Incurred Claims Costs €m	Net Underwriting Result €m
2017	105	36	41
2018	113	62	13
2019	134	60	22
2020	147	67	23
2021	175	63	42

Other Classes 2017 – 2021



Other classes of insurance include personal accident, travel, and financial loss insurances. These classes have been

profitable over the past five years with 2021 generating a net underwriting profit of €42m.



Insurance Ireland General Members' Gross Written Premium 2021*

Companies	Motor	Property	Liability	PA/Travel	Other Classes	Total
AIG	94,207	34,063	107,870	17,646	6,607	260,393
Allianz	223,375	162,902	153,918	6,100	22,805	569,100
Amtrust	0	3,486	1,631	0	-1,022	4,095
ARAG	0	0	0	0	8,192	8,192
Aviva	211,238	129,535	94,605	3,515	35,606	474,499
AXA	571,479	140,641	12,407	2,491	0	727,018
Chubb	9,889	35,679	51,180	32,124	50,454	179,326
DeCare	0	0	0	9,817	0	9,817
Ecclesiastical	0	11,956	8,697	189	1,084	21,926
FBD	182,233	109,403	69,386	5,307	0	366,329
Hiscox	0	10,742	12,000	38	27,274	50,054
Irish Public Bodies	8,544	30,548	91,997	1,700	5,522	138,311
Liberty Insurance	149,688	28,906	-9	0	48	178,633
MAPFRE	0	0	0	9,099	6,905	16,004
RSA	164,405	134,215	47,832	2,496	3,629	352,577
Travelers	9,088	23,599	18,217	0	3,463	54,367
Zurich	166,005	143,493	90,390	778	11,031	411,697
Total	1,790,151	999,168	760,121	91,300	181,598	3,822,338

* excludes health insurance



International Market

2017–2021

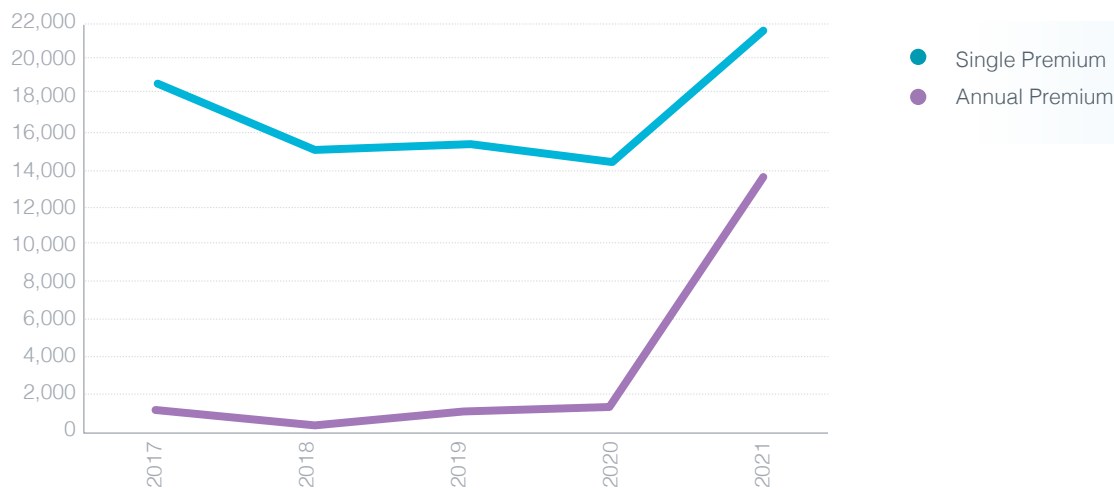
2021 Key International Life Statistics (in €m)

	Annual Premium (1)	Single Premium (2)	A.P.E. (1) + 10% of (2)
EU	9,501.1	18,304.3	11,331.5
Non EU	4,385.1	3,165.6	4,701.7
Total	13,886.2	21,469.9	16,033.2

Most of the international premium income is new single premium income. In 2021, the figure for Insurance Ireland's International life members was €21,029m which is an increase of 48.36% on last year's figure of €14,174m.

Annual premium income for 2021 was €309m. This is a 47.14% increase on the figure for 2020 of €210m.

Market Trends (2017 – 2021)



Over the five-year period from 2017-2021, single premium business has increased from €18,424m in 2017 to €21,469m

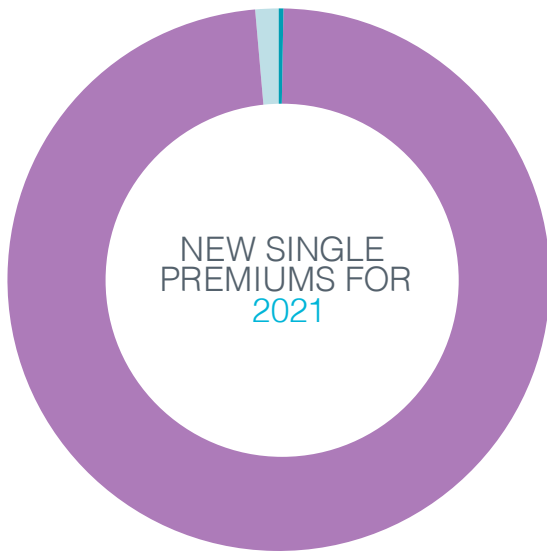
in 2021. Annual premium income increased from €953m to €13,866m over the same period.

**International Life Companies - Country of Business Analysis of New Business Premiums for Year Ending 31/12/2021
(in €'000)**

Country of Business*	Single Premiums	Regular Premiums
Austria	0	0
Belgium	18,049	179
Bulgaria	11,091	11,701
Cyprus	33,686	36,011
Czech Republic	29,462	42,717
Denmark	0	0
Estonia	0	0
Finland	85,271	1,158
France	223,803	190,810
Germany	254,901	94,283
Greece	2,129	152
Hungary	79,765	16,297
Ireland	84,059	3,048
Italy	14,352,525	223,833
Latvia	0	0
Lithuania	40	104
Luxembourg	3,642	24
Malta	174,436	30
Netherlands	558	80
Poland	4,650	16,016
Portugal	233,135	85,396
Romania	43,095	48,656
Slovakia	33,432	76,953
Slovenia	0	0
Spain	214,200	100,016
Sweden	2,422,412	2,650
Total EU	18,304,341	950,114
Rest of Europe (non-EU)	2,958,145	435,740
Rest of World	207,462	2,770
TOTAL	21,469,948	1,388,624

* Note: Country of Business should be taken as country of residence of policyholder.

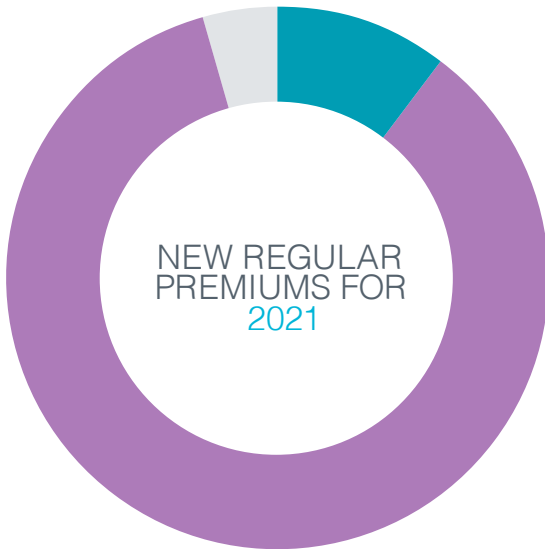
EU countries made up 85% of total single premium and 68% of total regular premium.



€ 000's

- Class I: €33,199 (0.16%)
- Class II: €0 (0%)
- Class III: €20,745,983 (98.66%)
- Class IV: €0 (0.0%)
- Class VI: €249,654 (1.19%)

Total New Single Premiums: €21,028,836 (100%)



€ 000's

- Class I: €32,605 (10.53%)
- Class II: €0 (0%)
- Class III: €263,559 (85.13%)
- Class IV: €13,245 (4.27%)
- Class VI: €0 (0%)

Total New Regular Premiums: €309,409 (100%)

Class I: Life Assurance and contracts to pay annuities on human life, but excluding contracts within Classes II and III

Class II: Contracts of Insurance to provide a sum on marriage or birth of a child

Class III: Contracts linked to investment funds

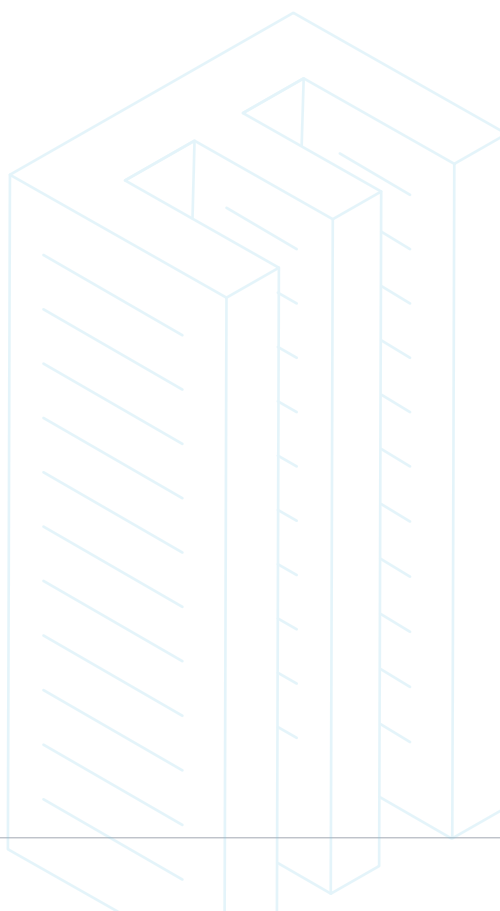
Class IV: Permanent Health insurance contracts

Class VI: Capital redemption operations

Total: €15,391,535

Insurance Ireland International Life Members' New Business Figures 2021

Companies	Annual Premiums € 000's	Single Premiums € 000's	Total € 000's
Allianz Global Life	7,710	1,006,211	1,013,921
AXA MPS Financial Ltd	84,257	1,647,876	1,732,133
Canada Life Assurance Europe	89,370	254,848	344,218
Darta Saving Life Assurance	26,697	5,139,642	5,166,339
FIL Life Insurance (Ireland)	2,729	1,587	4,316
Intesa Sanpaolo Life	1,703	5,329,925	5,331,628
Octium Life	0	317,787	317,787
Prudential International Assurance (Ireland)	19,427	703,003	722,430
Quilter International Ireland	597	1,029,865	1,030,462
SEB Life International	3,595	2,352,409	2,356,004
St. James's Place International	46,364	1,173,527	1,219,891
Utmost PanEurope	22,032	1,730,671	1,752,703
Vera Financial	0	330,023	330,023
Zurich Life International Assurance	4,928	11,462	16,390
Total	309,409	21,028,836	21,338,245



FACT



Published: Oct 2023

Material from Factfile may be reproduced if the source is fully acknowledged.

Disclaimer

The data published in this report has been compiled from information supplied by Insurance Ireland member companies unless otherwise indicated. While every effort has been made to ensure the accuracy of the collated information, Insurance Ireland does not accept responsibility for errors or omissions.

Insurance Ireland, Insurance Centre, 5 Harbourmaster Place, IFSC, Dublin 1, DO1 E7E8

T: (01) 676 18 20

E: info@insuranceireland.eu

W: www.insuranceireland.eu

Insurance Ireland (Member Association) Company Limited by Guarantee trading as Insurance Ireland is a limited liability company. Registered in Ireland. No. 553048. Registered office: First Floor, 5 Harbourmaster Place, IFSC, Dublin 1, DO1 E7E8

