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Public disclosure and the actuarial function

The Prudential Authority's draft Prudential Standard on Public Disclosures for Insurers

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Second round of informal consultation. Draft issued April 2026, comments closed 29 May 2026. Formal consultation still to come. No commencement date.

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SAM Pillars

01 Quantitative measurement of capital required to be held

02 Governance and risk management

03 Reporting requirements, both in terms of private reporting to the regulator as well as **public reporting requirements**

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What Is Public Today

Section 45 of the Insurance Act has been in force since 1 July 2018 (it says that insurers must publicly disclose prescribed quantitative and qualitative information), but has never been prescribed. What is public today depends entirely on whether the insurer is listed.

Listed groups: a lot

Audited financial statements under IFRS, and with them the IFRS 17 disclosures: claims development methods, inputs and changes in them, sensitivities and risk concentrations.

Annual reports, interim results.

But consolidated, at group level.

Private insurers: almost nothing

The same IFRS 17 detail is prepared and audited, but then goes nowhere.

Financials are filed with Companies and Intellectual Property Commission, but filing is submission, not publication.

Under section 26 of the Companies Act as it stands, a non-shareholder has no general right of access to a private company's financials.

Nobody, today

No prescribed solvency disclosure. The applicable IFRS presentation standard requires a statement of whether the entity complied with externally imposed capital requirements - not the ratio itself.

Listed groups volunteer cover ratios, often on an economic basis of their own construction rather than the regulatory one.

So there is **no comparable set across the market**, which means the unlisted mid-tier companies cannot be read alongside the listed names.

For a private insurer this is a step from nothing publicly accessible to a prescribed set on a free public platform.

Who Must Publish, and Who Will Read It

The Prudential Authority first consulted on public disclosures in July 2021. A substantially rewritten **draft** Standard and Guidance Notice were issued in April 2026; consultation closed on 29 May 2026. No commencement date has yet been set.

Who Publishes?

Regulatory obligation under sections 105 and 108 of the Financial Sector Regulation Act, read with sections 45 and 63 of the Insurance Act.

Excluded: microinsurers, groups and controlling companies, Lloyd's and branches of foreign reinsurers.

Section 45(1) binds controlling companies while the current draft does not prescribe disclosures for them.

Who will read?

Publication is on any publicly accessible platform - free access, no registration.

Brokers, reinsurers, rating analysts, journalists and competitors will read it. Comparability is the point. Easier to benchmark than before.

What does this mean for **policyholders**? Maybe they will check combined ratios. Or AI may look at these when policyholders compare insurers.

Non-disclosure – S45(2)(a)

The Prudential Authority may approve the non-disclosure of specific information if the disclosure thereof:

- may afford **the competitors** of the insurer or controlling company **undue advantage;**
- is subject to **contractual obligations** of secrecy and confidentiality;
- may negatively impact on **the financial soundness** of the insurer or controlling company; or
- may negatively impact on the financial **stability** of the **insurance sector**.

Most of the information is not new. The audience is.

What Changed in the Redraft

The 2026 draft is a rewrite, not an update. Six changes matter most to the actuarial function.

Assurance updated

2021 required external audit of all prescribed disclosures, plus written attestation by two board-level executives. Both are gone. External audit now follows the Audit Requirements Standard. **Internal audit** performs an independent review but does not provide external audit assurance.

Prescription stripped out

Claims development triangle, the technical provisions reconciliation, the quantified impact of methodology changes, the prescribed set of ratios (loss, expense, operating) and the quantitative reinsurance schedule **all drop out** of the draft Standard.

Format freed

2021 required QRT content to be published in the same format as submitted to the PA. The insurer now chooses the **format it considers most appropriate** (ensuring clarity, comparability, stakeholder understandability). Format optionality makes it **more work to compare than if standardised**.

Different structure

Content is now sorted into qualitative and quantitative blocks, with a set of disclosure principles promoted to the front of the draft

New obligations added

Reconcile regulatory and financial reporting methodologies, and disclose material differences.

For all prescribed information, provide commentary on material changes and trends.

Disclose anything further whose omission could mislead stakeholders.

Scope narrowed

Groups and controlling companies join micro-insurers, Lloyd's and branches of foreign reinsurers on the exclusion list.

Where the Content Comes From

The draft Guidance Notice maps most disclosure requirements back to an existing regulatory return. For most insurers this is reformatting, reconciliation and **narrative**, and not new production.

Quantitative: the QRTs

Technical provisions to TP1S, TP1.1 and OF4.3S. Capital to SCR and MCR. Performance to OF4 and OF4.3S.

Insurers extract and publish what applies to their business.

Qualitative: the QRRs

Company profile to A1 and A3.1. Governance to C1. Insurance risk, liquidity risk to F2. Technical provisions narrative to E2.

The Gap

The draft Guidance Notice does not map operational and IT risk to an existing QRT or QRR. That narrative is written from scratch.

Nor does the reconciliation between the regulatory (SAM) and financial-reporting (IFRS 17) bases: the regulatory side sits in the QRTs, but the bridge to the financial statements maps to neither return and must be built.

Much of the quantitative information already exists. What is new is publishing it, reconciling it and standing behind it.

What Must Be Disclosed

Eleven areas, split into qualitative and quantitative, with the function that owns the content in practice.

QUALITATIVE — 4 AREAS

7.2.1 Company profile
- Company secretary

7.2.2 Governance framework
- Company secretary / Risk

7.2.3 Insurance risk exposure
- Actuarial / Risk

7.2.4 Operational & IT risk
- Risk / IT

QUANTITATIVE — 7 AREAS

7.3.1 Technical provisions
- Actuarial

7.3.2 Financial instruments
- Investment

7.3.3 Investment risk
- Investment / Risk

7.3.4 Asset & liability mgmt
- Actuarial / Inv

7.3.5 Liquidity risk
- Actuarial / Treasury

7.3.6 Capital adequacy
- Actuarial

7.3.7 Financial performance
- Actuarial / Finance

**The Guidance Notice encourages insurers to assess the relevance of climate risk and reflect it where appropriate.
It is not a prescribed area in the Standard.**

Where Actuarial Judgement and Results Become Public

The 2021 draft told you what to publish. The 2026 draft tells you what a stakeholder must be able to conclude, and leaves the how to you.

Technical provisions totals: more detail than 2021

Gross and net by class, split between premium and claims provisions. For non-life, gross and net premiums written and earned, and claims paid and incurred, by class.

Technical provisions: methods and assumptions

The draft asks only for a high-level description of methods and actuarial techniques, whereas 2021 named specific items. No template, no list. The narrative is yours to write and yours to defend.

Reserve adequacy and run-off

The draft requires disclosure relating to reserve adequacy and historical claims run-off experience, but the mandatory development triangle has been removed from the Standard and is retained only as guidance. The level of discussion is left to you.

Capital: one quantitative section, eight qualitative

SCR, MCR and coverage ratios are the single prescribed quantitative capital disclosure. Behind them sit eight qualitative requirements, including how key risk exposures influence capital requirements and risk appetite in relation to capital.

Reconciliation: newly explicit

Where regulatory and financial reporting methodologies both feed a disclosure, you must reconcile them and disclose material differences (taking into account the insurer's size, activities and risk profile). This obligation did not exist in 2021.

Who Produces What

The draft spreads responsibility across the control functions. In a non-life insurer the actuarial function underpins many of the most material quantitative disclosures.

Actuarial Function

- Technical provisions: totals by class, methods, assumptions, adequacy
- Reserve adequacy and historical run-off experience
- SCR and MCR calculation, coverage ratios and capital stress testing
- Underwriting result, sources of earnings and significant loss events
- Reconciling regulatory and financial reporting methodologies
- Actuarial supports liquidity projection and stressed cash flows

Risk Management / CRO

- Insurance risk: nature, concentrations, appetite and coverage limitations
- Investment risk and liquidity risk exposures
- Operational and information technology risk narrative
- Stress testing and scenario analysis for investment risk

Compliance

- Ensures the disclosure framework meets the draft requirements
- Monitors immediate disclosure triggers
- Manages non-disclosure applications under s45(2)(a)
- Tracks the draft through to finalisation

Head of Internal Audit

- Independent review of the disclosure framework, and of the accuracy and reliability of published disclosures
- Explicitly includes information published on the website
- Reviews the controls and processes supporting public disclosures
- Reports findings and recommendations to the board

Paragraph 6 requires risk, compliance and actuarial to give the board enough to discharge its oversight duties — resource year-end accordingly.

What the Board Will Need From You

Two board obligations are new in the 2026 draft, and neither can be discharged without evidence from the actuarial function.

Approve the disclosure framework

New in 2026. The board must approve and oversee a public disclosure framework, with governance and internal controls to verify the quality and reliability of what is published.

Confirm accuracy and completeness

New in 2026. The board must satisfy itself, based on management and control-function evidence that all disclosed information is accurate, complete and understandable. That confirmation needs an evidence trail from whoever produced the numbers.

Capital breaches become public

A "major development" requiring disclosure includes non-compliance with the Act, and an MCR or SCR breach qualifies. Notification to the board is not new. What is new is that s45(3)(c) requires the **extent, reasons, consequences and remedial measures to be published**, drafted at speed, while the fix is still being worked out.

Likely Common Pitfalls

The most likely issues for an actuarial function in the first reporting cycle.

01

Working off the 2021 draft

The redraft moved the audit requirement, the attestation, the format rule and much of the prescribed content. Gap assessments built on the old draft point in the wrong direction.

02

Mistaking less prescription for less work

Fewer prescribed calculations means more required judgement, and judgement is harder to defend in public than a mandated ratio.

Your Readiness Checklist

Practical actions the actuarial function can take before the Standard is finalised.

WHAT APPLIES

- □ Work off the April 2026 draft, not the 2021 one
- □ Map each requirement to the QRT or QRR behind it where applicable
- □ Identify what has no existing source and must be written from scratch

WHAT TO WORK ON

- □ Draft the technical provisions methodology narrative now
- □ Draft the disclosure framework for board approval
- □ Reconcile regulatory and financial reporting methodologies

SIGN-OFF AND TIMING

- □ Confirm with internal audit what their review will cover
- □ Run a full dry run on the last completed year-end
- □ Build the timetable back from the publication date

None of this requires a finalised Standard. A dry run on last year's numbers finds the gaps before anyone else does.

QUESTIONS & DISCUSSION

Three things worth taking away

The content mostly exists, and the audience is what changes. (keep audience in mind – is there anything we would change given new audience?)

Less prescription means more judgement, which is published, and read alongside everyone else's. Makes comparability more work than if all in same format.

A dry run on last year's numbers finds the gaps before anyone else does.

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