# RSA Insurance Group Limited

## Solvency and Financial Condition Report (SFCR) 31 December 2025

# Contents

# Introduction

RSA Insurance Group Limited (referred to in this report as “the Company” or “RSAIG”) is a limited company incorporated and domiciled in England and Wales and, through its subsidiaries (together referred to in this report as “the Group”), provides commercial lines insurance, specialist commercial lines insurance, and personal property and motor insurance, operating in the United Kingdom (UK), Ireland, and Continental Europe.

The purpose of the Solvency and Financial Condition Report (SFCR) is to provide information required by the Prudential Regulation Authority (PRA) rules as at 31 December 2025.

## RSA Insurance Group Limited

RSAIG is a wholly owned subsidiary of 2283485 Alberta Limited, a Canadian limited company, and is ultimately owned by Intact Financial Corporation (referred to in this report as “Intact” or “IFC”), a public company incorporated in Canada.

The Group sections of the 2025 SFCR represent the consolidated position of RSAIG and its subsidiaries. Figures in all sections of the report for the Group therefore represent the consolidated position of the Group’s parent company, RSAIG, and all subsidiaries held as at 31 December 2025.

This report sets out aspects of the Group’s business performance, system of governance, risk profile, valuation methods used for solvency purposes and its capital management practices, as prescribed by the SUK regulatory framework. Where information that is required to be reported by Solvency UK (SUK) is not applicable to the Group, the report contains the heading, with a note to explain the rationale for its exclusion.

For further details of abbreviations and terms used in this report, see Appendix 7.

## Subsidiaries

This Group SFCR also covers information on the solvency and financial condition of the Group’s three UK regulated insurance and reinsurance subsidiaries that are themselves subject to SUK. This information is set out in Appendices 2, 3 and 4 of this report.

The three UK subsidiaries are:

- Intact Insurance UK Limited (Intact UK)
- Royal & Sun Alliance Reinsurance Limited (RSA Re)
- The Marine Insurance Company Limited (MIC)

Intact UK, RSA Re and MIC are legal entities meeting all relevant regulatory and governance requirements and their individual risk profile and capital requirements are monitored to ensure ongoing regulatory compliance. However, the Group does not manage each entity as an individual business and does not set individual business strategies. In light of this, it is important for the reader to understand that the focus of the Group SFCR is the activities of the Group as a whole.

As at 31 December 2025 the Group has two non-UK insurance subsidiaries that are subject to the Solvency II (SII) regulatory framework that applies within the European Union, and these companies publish their own SFCRs according to that regime:

- Intact Insurance Ireland DAC (Intact Ireland)
- Intact Insurance (Europe) SA (Intact Europe)

## Transitional and long-term guarantee measures

The Group does not apply any transitional arrangements as referred to in Rule 4.1 of the Transitional Measures Part of the PRA Rulebook applicable to SUK firms

The only long-term guarantee measure that is applied is the volatility adjustment as defined in the PRA Rulebook. Further information relating to this measure is shown in Section D.2.4 of this report.

As a general insurance business, during the year the Group has not placed any reliance on the matching adjustment as defined in the PRA Rulebook. Consequently, there will be no information regarding this measure in this report.

# Summary

The principal activity of the Group is the transaction of insurance and related financial services predominantly in the UK, Ireland, and Continental Europe.

## Business and performance

Total Group underwriting profit was £253m (2024: £291m).

In the UK, the Group currently offers commercial lines and speciality lines insurance. As of October 2025, RSA, NIG and Farmweb have officially rebranded to Intact Insurance across the UK, Ireland and Europe. The Group also provides a broad range of insurance solutions, tailored to meet the unique needs of specific industry segments and diverse customer groups, largely in the London Market, distributed through brokers under the Intact brand.

In Ireland, the Group operates through Intact Ireland which holds a top six position in the multi-line insurance market, distributing through 123.ie (a direct-to-consumer Personal lines brand), affinity partnerships and brokers. In addition, Intact Ireland is Ireland's largest commercial wind energy insurer.

In Europe, we offer specialty and commercial products through the Intact Insurance brand via brokers in France, Belgium, Spain and the Netherlands.

The Group also provides reinsurance to other companies within the wider Intact group and has quota share arrangements with Belair Insurance Company Inc. (Belair) under which insurance risk for a proportion of the business of those companies is transferred to the Group.

On 6 September 2023, the Group entered into an agreement to acquire the commercial lines broker business of Direct Line Insurance Group plc (DLG). In connection with this transaction, DLG is proposing to transfer existing commercial lines insurance policies to the Group by means of an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000 (Part VII Transfer). The Part VII transfer has been sanctioned by the High Court of England and Wales and approved by the Royal Court of Jersey. The transfer shall take place on 1 April 2026 and any changes to this date will be communicated on the website. Further information about the transfer is available at [www.intactinsurance.co.uk](http://www.intactinsurance.co.uk).

For details of the Group's business and performance, including Underwriting and Investment performance, see Section A.

## System of Governance

The Group's System of Governance falls under the umbrella of the Intact group governance framework and promotes the safety and soundness of the Group for the benefit of its ultimate shareholder, Intact, customers, employees and other stakeholders. This is achieved through a robust governance structure designed to deliver a well-managed business with effective decision making, good procedures and strong controls. The components of the System of Governance result in a clear allocation and appropriate segregation of responsibilities and the effective transmission of information internally and externally. Details about this and changes during the year are provided in Section B.

## Risk profile

The Group's risk management and control frameworks were created to ensure that risks across the Group are identified, measured and managed before they adversely impact on customers or the business. See Section B.3.1 for further details of the Group's risk management system.

The Group is exposed to the following main categories of risk:

- Financial risk, including capital, market and credit, and liquidity risk
- Insurance risk, including catastrophe and underwriting risk
- Operational risk, including customer risk

The Group quantifies its exposure to different types of risk as part of its Solvency Capital Requirement (SCR) calculation, details of which are provided in reporting template IR.25.04 in Appendix 8.

The current geopolitical environment continues to contribute to uncertainty in global trade, which has created capital market volatility and may affect the global economic environment in the future. Key risks to the Group from this heightened uncertainty include claims-cost inflation driven by energy, commodities and supply-chain disruption; higher cyber and infrastructure-related risk; investment volatility; a rising compliance burden due to diverging rules and regulation; increased operational fragility, largely caused by global supply-chain delays; and impacts on liquidity.

Management will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

See Section C for further details regarding the Group's risk profile.

## Valuation for solvency purposes

Section D sets out details regarding the basis of preparation and assumptions used in the valuation of assets, technical provisions and other liabilities for SUK, as well as a description of the differences between these and International Financial Reporting Standards (IFRS).

As at 31 December 2025, the Group's excess of assets over liabilities on an SUK basis was £1,965m.

Recognition and valuation bases have been used and estimation approaches have been applied consistently during the period.

## Capital management

### Capital position

| Solvency UK position | Requirement (SCR) (unaudited) £m | Eligible Own Funds £m | Surplus (unaudited) £m | Coverage (unaudited) % |
|---|---|---|---|---|
| **31 December 2025** | **1,239** | **2,074** | **835** | **167%** |
| 31 December 2024 | 1,215 | 2,144 | 929 | 176% |

The reduction in SCR coverage from 176% to 167% is predominantly due to a reduction in eligible own funds driven by an interim dividend payment of £160m in June, and redemption of the remaining £120m Tier 2 subordinated GBP bonds in October. The SCR has increased over the year driven by market movements (yield-driven), partially offset by the net impact of the change in business mix as a result of the personal lines exit.

## Capital activity

The Group operates a programme of continuous development in relation to the internal model. During the year, technology upgrades were implemented to the internal model to improve modelling capabilities and effectiveness.

As noted above, on 17 June 2025, an interim ordinary dividend of £160m was paid by the Group to 2283485 Alberta Limited and in October 2025, the Group redeemed its remaining fixed rate Tier 2 dated guaranteed subordinated bonds. The Tier 2 notes were redeemed in full at their principal amount together with accrued and unpaid interest up to (but excluding) the first call date on 10 October 2025. The redemption was self-funded using existing surplus capital in the Group and resulted in a c.10% reduction in SUK SCR coverage; however, the redemption improved the quality of capital in the Group.

Section E of this report further describes the policies and processes employed by the Group for managing its Own Funds. The section also covers information on the structure of Own Funds and the calculation of the SCR and Minimum Capital Requirement (MCR).

# A. Business and Performance

## In this section



This section applies to the Group. Refer to Appendices 2, 3 and 4 for information regarding the subsidiaries.

# A.1 Business

## A.1.1 Company name & legal form

RSAIG is a private limited company incorporated in England and Wales. RSAIG is ultimately owned by Intact Financial Corporation, a public company incorporated in Canada. RSAIG together with its subsidiaries make up the Group which is covered by this SFCR.

## A.1.2 Supervisory authority

The PRA is the authority responsible for prudential supervision of the Group. The contact details of the PRA are as follows:

Prudential Regulation Authority
20 Moorgate
London
EC2R 6DA

Telephone: 020 3461 4444

Website: https://www.bankofengland.co.uk/prudential-regulation

## A.1.3 External auditor

The external auditor of the Group is:

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Telephone: 020 7951 2000

## A.1.4 Holders of qualifying holdings

RSAIG's sole shareholder is 2283485 Alberta Limited, a company incorporated in Alberta, Canada.

2283485 Alberta Limited is wholly owned by Intact Ventures Inc, a company incorporated in Canada.

Intact Ventures Inc is wholly owned by Intact Financial Corporation, a company incorporated in Canada and listed on the Toronto Stock Exchange.

Refer to Section A.1.7 for the simplified Group structure.

## A.1.5 Position within the Group legal structure

RSAIG is the parent company of the Group and is ultimately owned by Intact.

### A.1.5.1 Group structure

Please see the following sections of this report:

- Section A.1.7 for the simplified Group Structure
- Section A.1.6 for a list of material related undertakings.
- Appendix 1 for a list of all branches
- Appendix 8, reporting template IR.32.01.22 (Undertakings in the scope of the group) for further details of each subsidiary and associate

Refer to Appendix A of RSAIG's 2025 consolidated financial statements for a list of all subsidiaries and associates.

Refer to note 29.4 of Intact's consolidated financial statements for significant operating entities which share common ownership with the Group.

See Section B for details of the Group's governance structure.

#### Organisational structure

The Group operates in the UK, Ireland and Continental Europe. The UK and Ireland regions are managed by a member of the UK and International (known as UK&I) Operating Committee who is directly accountable to the UK&I Chief Executive Officer (CEO).

On 1 January 2025, the management reporting lines of Intact Europe were redirected to IFC. However, the entity is still owned and controlled by Intact UK and remains on the Group balance sheet. The RSAIG Board receives reporting in relation to Intact Europe's financial matters, governance, and controls. This includes quarterly financial reporting to meet the RSAIG Board's statutory external reporting requirements. For further information regarding Intact Europe's System of Governance, refer to Intact Europe's SFCR, which is available from the Group's website www.intactinsurance.co.uk.

The UK is the Group's country of domicile and one of its principal markets.

## A.1.6 Material related undertakings

See Appendix A of RSAIG's 2025 consolidated financial statements for a list of all subsidiaries and associates of the Group.

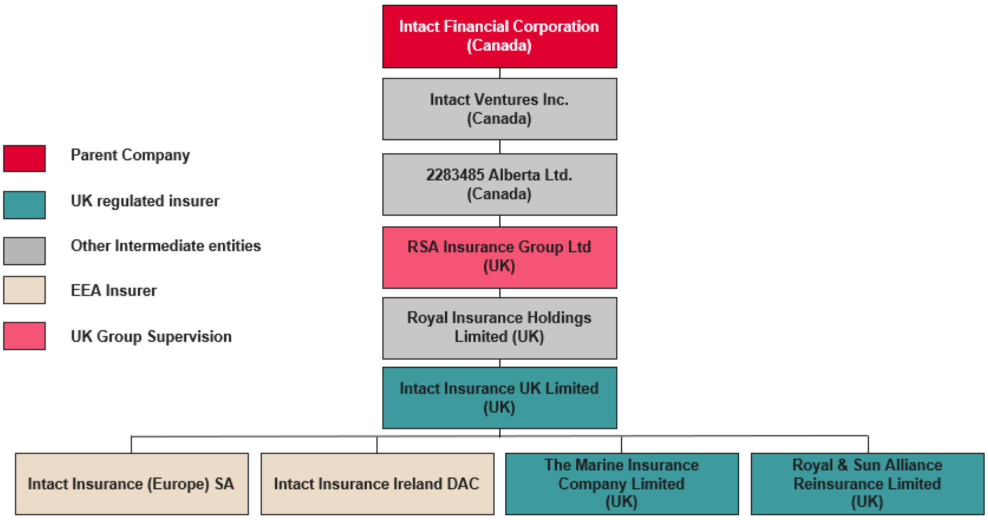
Refer to Note 29.4 of Intact's consolidated financial statements for significant operating entities which share common ownership with the Group.

Material related undertakings and branches of the Group are listed below. All companies are limited by shares:

| Country | Name |
|---|---|
| Guernsey | Intact Insurance Channel Islands Limited |
| Ireland | Intact Insurance Ireland DAC |
| Isle of Man | Intact Insurance Isle of Man Limited |
| Luxembourg* | Intact Insurance (Europe) SA (material branches: France, Belgium, Spain and the Netherlands) |
| United Kingdom | Intact Insurance UK Limited |
| United Kingdom | Royal & Sun Alliance Reinsurance Limited |
| United Kingdom | The Marine Insurance Company Limited |

* On 1 January 2026, Intact Europe transferred its registered office to France.

## A.1.7 Simplified Group structure



## A.1.8 Business lines and geographical areas

The Group's material lines of business and material geographical areas where it has carried out business during the year are detailed in the table below:

| Geographic regions |
|---|
| UK |
| International (comprising Ireland and Europe) |
| **Line of business – non-life** |
| Miscellaneous financial loss |
| Motor vehicle liability |
| Other motor |
| Marine, aviation and transport |
| Fire and other damage to property |
| General liability |

## A.1.9 Significant events

During 2025, the Group completed a rebrand to Intact Insurance across the UK, Ireland, and Europe, replacing the RSA and NIG brands. This transition reflects a shared purpose and set of values, bringing together deep local knowledge and global expertise, to deliver a more connected and consistent experience for our customers and brokers. The Board considers the rebrand to be a strategically important step in supporting long-term growth, improving customer clarity and reinforcing a cohesive culture.

As a result of the rebrand, certain subsidiaries were renamed, including the following significant operating subsidiaries:

- Royal & Sun Alliance Insurance Limited was renamed Intact Insurance UK Limited effective 19 August 2025.
- RSA Insurance Ireland DAC was renamed Intact Insurance Ireland DAC effective 6 October 2025.
- RSA Luxembourg S.A. was renamed Intact Insurance (Europe) SA effective 6 October 2025.

On 19 December 2025, Intact Europe received regulatory authorisation to operate as an insurance undertaking in France. Following this approval, Intact Europe transferred its registered office, principal place of business and central administration/place of effective management from Luxembourg to France under the cross-border mobility mechanism set out in the EU Mobility Directive 2019/2121. This became effective on 1 January 2026.

The Group continued to execute on its planned exit from UK personal lines. In the first quarter of 2025, an agreement was reached to transfer the largest UK personal lines partnership business by the end of the year. This transfer was completed as planned.

In October 2025, the Group redeemed its remaining fixed rate Tier 2 dated guaranteed subordinated bonds. Further details regarding this can be found in the Capital Management section on page 7.

Effective 1 January 2025, the Group entered into a commutation and release agreement and terminated the retrospective quota share agreement with Unifund Assurance Company (Unifund), an insurance company based in Canada that is also a subsidiary of IFC, for an approximate amount of £115m. Under the terms of this agreement, Unifund was ceding 60% of its obligations (net of reinsurance) with effective dates prior to 1 January 2022 to the Group.

## A.1.10 Group operations & transactions within the Group

See Section D. for information on the method and scope of group consolidation.

Other significant intra-group transactions occurring between entities in the Group include:

### Dividends

Dividends are paid by various Group companies to their respective parents as part of normal Group treasury management and capital optimisation.

During the year, dividends of £288m were received from a subsidiary company, Royal Insurance Holdings Limited.

Please refer to note 6.3 of RSAIG's parent company financial statements for further details.

### Intercompany loans

A number of statutory entities within the Group have entered into intercompany loan agreements as part of the Group's cash management strategy or for other general corporate purposes.

### Derivatives

Intact UK continued to enter into derivative transactions with Intact Europe during the year, for the purpose of reducing foreign exchange risk within Intact Europe.

### Reinsurance excess of loss and quota share treaties

Intact UK has continued to provide capital support to Intact Ireland via an Adverse Development Cover (ADC) for reserves existing up to the end of 2014 and a Quota Share for 2015 business onwards. The Adverse Development Cover has an attachment point of €400m and a limit of €325m for a premium of €250m.

Intact UK has an 80% quota share agreement with Intact Europe for reserves existing up to end-2018 and for 2019 business onwards. This agreement covers all classes of business.

Intact UK has a 100% quota share agreement with MIC under which the insurance risk of the MIC's business is transferred to Intact UK. MIC receives a ceding commission in relation to the quota share agreement which is determined by reference to premium written, net of reinsurance.

### Guarantees

Intact UK has issued guarantees in favour of RSAIG in respect of the following:

- The US $9m 8.95% subordinated guaranteed bonds due 15 October 2029

On 13 November 2023 Intact UK provided an unlimited parental guarantee to RSA Re to cover its liabilities arising from its Global Network activity.

On 1 August 2025 Intact UK provided an unlimited parental company guarantee in favour of Intact Europe, in respect of certain specific books of business.

# A.2 Underwriting performance

The underwriting result for the period by material SUK lines of business is shown below and is calculated on the same basis as the RSAIG underwriting result as shown in note 36 - the Alternative performance measures section of its consolidated financial statements. Refer to the Jargon Buster section of RSAIG's consolidated financial statements for further details.

Geographical analysis of the underwriting result is included in note 27 of RSAIG's consolidated financial statements.

| | Net Written Premium | | Underwriting Result | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| | **£m** | £m | **£m** | £m |
| **Non-life** | | | | |
| Fire and other damage to property | 1,455 | 1,775 | 61 | 139 |
| Motor vehicle liability | 679 | 754 | 103 | (42) |
| Other motor | 371 | 430 | (8) | 33 |
| Marine, aviation and transport | 208 | 218 | 13 | 65 |
| General liability | 600 | 520 | 87 | 82 |
| Miscellaneous financial loss | 69 | 283 | 9 | 11 |
| **Total material lines of business** | **3,382** | **3,980** | **265** | **288** |
| Non-material | 3 | 7 | 9 | 13 |
| **Total non-Life** | **3,385** | **3,987** | **274** | **301** |
| Total life/annuities | - | - | (21) | (10) |
| **Total** | **3,385** | **3,987** | **253** | **291** |

The SUK line of business view takes the RSAIG underwriting result but splits it along regulatory risk lines. Consequently, the commercial and personal distinction is lost as these channels are combined, whilst some other lines are disaggregated further as different types of risk may be included within one product.

'Total life/annuities' refers to Periodic Payment Orders (PPOs), shown separately under SUK risk lines.

Household and commercial property are combined to form fire and other damage to property. During 2025 large losses were higher than in 2024 reflecting an increase in large losses in our Engineering business combined with several large fire losses in our NIG Business. CAT weather was more aligned to long term trends in 2025, showing an improvement compared to 2024.

Personal and commercial motor are combined and then split into motor vehicle liability and other motor (property damage). 2025 saw an improvement on 2024 reflecting the result of strong remediation activity on the NIG book transferred from DLG which included exiting unprofitable lines out of appetite combined with additional rating to improve the funding position on retained lines.

UK and Europe marine is the key contributor to the marine, aviation and transport line. The 2024 result benefited from favourable prior-year development across most lines of business, which did not recur in 2025 and therefore impacted the reported year-on-year comparison. Excluding these prior-year movements, underlying performance in 2025 remained broadly in line with 2024

General liability is largely from the Group's commercial liability portfolio and some elements of the commercial property portfolio. Profitability remains fairly stable from 2024.

# A.3 Investment performance

## A.3.1 Income and expenses by class

A summary of the gross investment income, net realised and net unrealised gains/(losses) included in the consolidated income statement is given below:

| Years ended 31 December | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| Interest income calculated using the effective interest method: | | |
| Debt securities classified as FVTOCI | **101** | 111 |
| Loans and cash and cash equivalents at amortised cost | **21** | 28 |
| Interest or similar income on securities classified or designated as FVTPL | **103** | 93 |
| **Interest income** | **225** | 232 |
| **Dividend income on FVTPL equity securities** | **14** | 11 |
| **Investment property rental income** | **21** | 17 |
| **Investment income** | **260** | 260 |

A summary of the investment management expenses by asset class is given below:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| Investment property | **(1)** | (1) |
| Equity securities | **(2)** | (1) |
| Debt securities | **(9)** | (6) |
| Loans and receivables | **(1)** | (1) |
| **Total investment management expenses** | **(13)** | (9) |

## A.3.2 Gains and losses recognised in equity

Fair value gains on Fair Value Through Other Comprehensive Income (FVTOCI) assets net of tax were £24m (2024: £5m).

Gains and losses recognised in the income statement for financial instruments are as follows:

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Fixed income** | **Equity and property** | **Total** | Fixed income | Equity and property | Total |
| **For the years ended 31 December** | **£m** | **£m** | **£m** | £m | £m | £m |
| **Net gains/(losses) from:** | | | | | | |
| Financial instruments: | | | | | | |
| Classified as FVTOCI | **2** | **-** | **2** | 5 | - | 5 |
| Classified or designated as FVTPL | **11** | **50** | **61** | (33) | 2 | (31) |
| | **13** | **50** | **63** | (28) | 2 | (26) |
| Derivatives[1] | **-** | **-** | **-** | - | 4 | 4 |
| Investment property | **-** | **5** | **5** | - | 3 | 3 |
| Net foreign currency losses | **(5)** | **-** | **(5)** | (94) | - | (94) |
| ECL expense[2] | **-** | **-** | **-** | (1) | - | (1) |
| | **8** | **55** | **63** | (123) | 9 | (114) |

[1] Excluding foreign currency contracts, which are recognised in net foreign currency gains/(losses) on investments. Derivatives are mandatorily measured at FVTPL, except when part of a documented hedging arrangement.

[2] ECL expense is not significant due to the high credit quality of the investment portfolio.

## A.3.3 Investments in securitisation

The Group invests in securitised investments, whereby the credit risk associated with an exposure, or pool of exposures, is tranched and the payments associated with this investment are dependent on the performance of the exposure, or pool of exposures, and the subordination of tranches determines the distribution of losses during the ongoing life of the investment. These investments are created and managed by external specialist investment managers. The use of these products allows the Group to broaden the diversification of its investment portfolio in a cost-efficient manner.

The Group's exposure to securitised investments as at 31 December 2025 is summarised in the table below:

| | | **Exposure** | |
|---|---|---|---|
| | | **2025** | 2024 |
| **Class of investments** | **Nature of the underlying investments of the vehicle** | **£m** | £m |
| Collateralised Debt Obligations | Structured debt security backed by bonds | **221** | 207 |

# A.4 Performance of other activities

## A.4.1 Other material income & expenses

For details of other material income and expenses, see notes 21-23 and 33 of the RSAIG consolidated financial statements.

### A.4.2 Operating and finance leasing arrangements

The Group acts as lessee and lessor in a number of lease arrangements across each of its core regions. All leases have been entered in to by RSAIG or its subsidiaries.

For further details of the Group's leasing arrangements, see note 31 of RSAIG's 2025 consolidated financial statements.

## A.5 Any other information

Nothing to report.

# B. System of Governance

## In this section



This section applies to the Group. Refer to Appendices 2, 3 and 4 for information regarding the subsidiaries.

## Purpose of the Group's System of Governance

The Board sets annual objectives for the Group businesses in line with the current Intact and Group strategy and monitors the achievement of the Group's objectives through regular reports which include updates from the UK&I Operating Committee, the UK&I CEO and the UK&I Chief Financial Officer (CFO) on all material business matters. Whilst business objectives for Intact Europe are set by IFC, the RSAIG Board retain oversight of Intact Europe's financial matters, governance and controls by way of regular financial reporting. This includes quarterly financial reporting to meet the RSAIG Board's statutory external reporting requirements.

# B.1 General information on the System of Governance

## B.1.1 Board structure

The Group's business is overseen by a single Board of Directors. A minimum of fifty percent of the Board are independent Non-Executive Directors. The Chair meets regularly with the other Non-Executive Directors individually and collectively without the Executive Directors being present.

The Board may exercise all the powers of the relevant company subject to the Memorandum and Articles of Association, relevant laws, and any directions as may be given by shareholder resolution. The directors may delegate any of their powers or discretions to committees except for matters specifically reserved for the whole Board. The schedules of matters reserved for the shareholder and for the Board as a whole are reviewed annually and held by Company Secretariat.

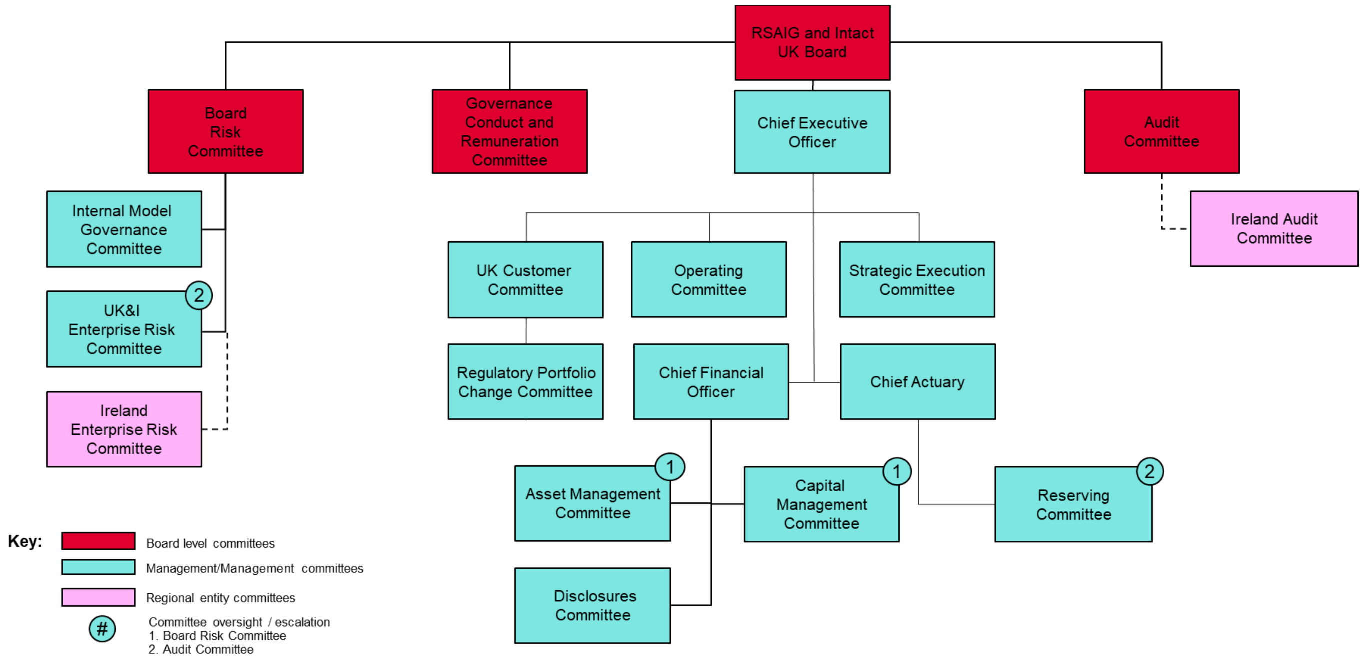
The Board promotes high standards of corporate governance and conduct throughout the Group. It also plays a key role in relation to culture, aligning culture with Intact's purpose, values and strategy and aligning policies and practices with Intact's values. The Group's senior leaders are responsible for embedding culture throughout the Group and then escalating any cultural 'red flags'. The Chair is responsible for ensuring a formal and rigorous evaluation of Board effectiveness is undertaken on an annual basis.

The Board is accountable to the Group's ultimate shareholder IFC, for the creation and delivery of sustainable performance and the creation of long-term shareholder value, while having regard to the Group's other stakeholders. The Board believes that open and collaborative dialogue and interaction with all of its stakeholders is in the best interests of the Group and helps the Group to make a positive contribution to society. The Board meets frequently and is responsible for organising and directing the affairs of the Group in a manner that will promote the success of the Group and is consistent with good corporate governance practice, ensuring that in carrying out their duties, the companies meet legal and regulatory requirements. The Group's website can be found at www.intactinsurance.co.uk. The website hosts copies of the RSAIG consolidated financial statements and other publicly available information.

Board Directors have access to the services and advice of the UK&I General Counsel and Company Secretary and in addition may take independent professional advice at the expense of the Company in furtherance of their duties.

The Board sets annual objectives for the Group businesses in line with the current Intact and Group strategy and monitors the achievement of the Group's objectives through regular reports which include updates from the UK&I Operating Committee, the UK&I CEO and the UK&I CFO on all material business matters.

The RSAIG and Intact UK Board committees, Intact UK's management committees and regional entity committees and the relationships between them, are shown below:

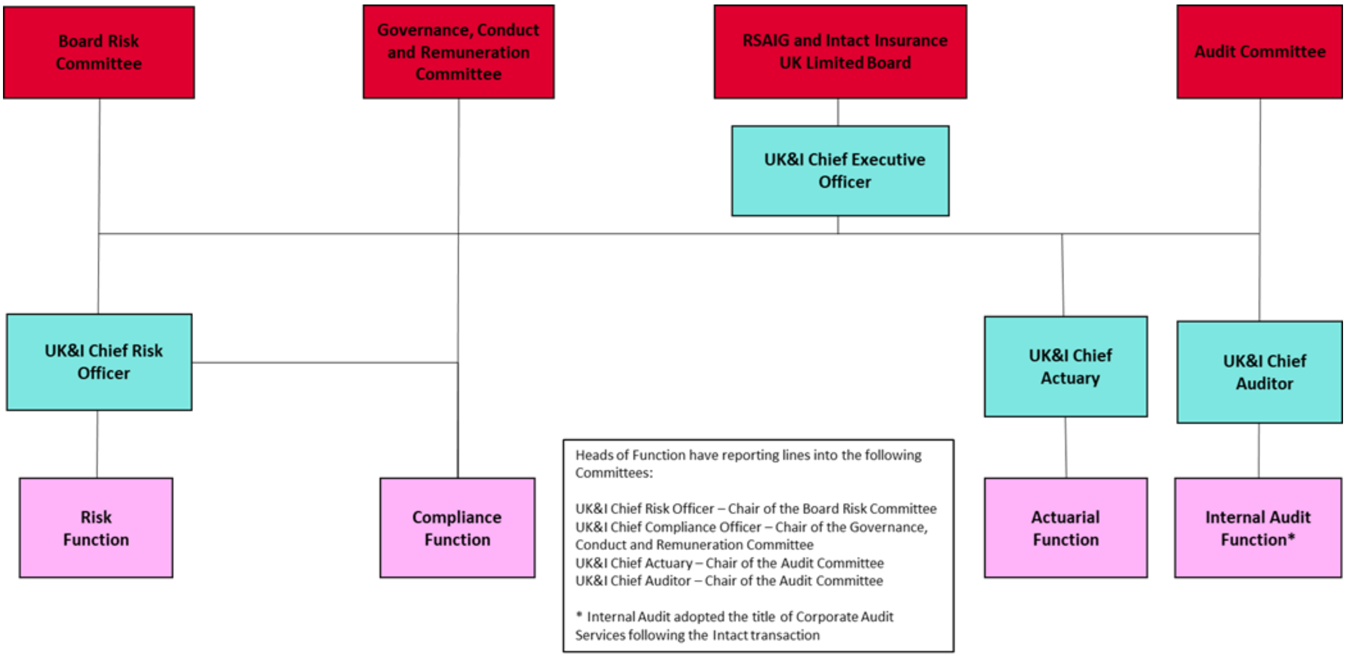



The role and responsibilities of each Board level committee can be found in Section B.1.2 of this SFCR.

## B.1.2 Independent Key Functions

The diagram below of the RSAIG Management structure shows the senior management and the day-to-day reporting lines of those functions which the Board has determined to be Independent Key Functions: Risk, Compliance, Actuarial and Internal Audit.

The Boards of Intact UK and RSAIG are referred to collectively as the "RSAIG Board".




The Audit Committee is responsible for assisting RSAIG's Board of Directors in discharging its responsibilities in relation to:

- Coordination and oversight of the integrity of the financial statements for the RSAIG companies.
- Oversight and challenge of the effectiveness of the systems of internal control for RSAIG; and
- Oversight of the effectiveness and objectivity of the internal and external auditors.

Each year, the Audit Committee shall have at least one meeting (or part thereof) with the external auditor, the UK&I Chief Actuary and the UK&I Chief Auditor without any employed executives who are members of the Board or management being present.

The Board Risk Committee (BRC) supports the Board in ensuring the key risks to RSAIG's companies are identified and understood, effectively managed within risk appetite with regard to the views and interests of its stakeholders and are appropriately reflected in the Internal Model. The following specific responsibilities have been delegated to the BRC to assist the Board in discharging its responsibilities:

- Advising the Board on risk management matters, including solvency needs.
- Overseeing and advising the Board on RSAIG's risk management arrangements.
- Monitoring the emerging and principal material risks facing RSAIG, ensuring appropriate arrangements are in place to identify, manage and mitigate risks effectively, and that appropriate levels of capital are held in relation to these risks.
- Recommending RSAIG's risk appetite.
- Approval of the Risk Management Plan.

- Reviewing the outputs of the ORSA, the Internal Model - making recommendations to the Board on capital adequacy and the ORSA Report.
- Reviewing the investment strategy framework and investment portfolio disposition and performance to ensure these remain within risk appetite and consistent with the Company's investment strategy.
- Oversight of the Risk function.

Each year, the BRC shall have at least one meeting (or part thereof) with the UK&I Chief Risk Officer (CRO) in the absence of other members of executive management. In addition, the UK&I CRO shall be offered direct access to the BRC Committee Chair and the Chair of the Board.

The Governance, Conduct and Remuneration Committee (GCR) is responsible for assisting the Board in discharging its responsibilities in relation to oversight of the:

- Governance and the conduct framework of the companies.
- Compliance function and the compliance framework of the companies.
- Review and monitoring of the application of Intact UK's Conduct Framework and the performance of its conduct agenda, including how good outcomes are delivered for its customers.
- Environmental, Social and Governance Framework priorities and disclosures.
- Remuneration principles, policy and practices, including determination of the remuneration of the Chair of the Board, the Executive Directors and other senior executives.

Each year, the GCR shall have at least one meeting (or part thereof) with the UK&I CRO, the UK&I Chief Compliance Officer (CCO) and the UK&I Chief Operations Officer (COO) in the absence of other members of executive management. In addition, the UK&I CRO, the UK&I CCO and the UK&I COO shall be offered direct access to the Committee Chair and the Chair of the Board.

Each year, at the request of the Chair of the Board or the respective Committee Chairs, the Committees may hold a joint meeting with the BRC, the Audit Committee and/or the GCR.

Board committees operate on behalf of RSAIG and Intact UK and this is made clear within their Terms of Reference.

Those working in the Key Governance Functions in the UK/European Economic Area (EEA) entities are subject to the provisions of the Fit & Proper Governance Document as described in Section B.2 below.

## B.1.3 Changes in System of Governance

On 1 January 2025, the management reporting lines of Intact Europe were redirected to IFC. However, the entity is still owned and controlled by Intact UK and remains on the Group balance sheet. The RSAIG & Intact UK Board receives reporting in relation to Intact Europe's financial matters, governance, and controls. This includes quarterly financial reporting to meet the RSAIG Board's statutory external reporting requirements. For further information regarding Intact Europe's System of Governance, refer to Intact Europe's SFCR, which is available from the Group's website www.intactinsurance.co.uk.

## B.1.4 Principles of remuneration policy

The Group ensures that it has appropriate remuneration arrangements through the adoption of a remuneration policy. This policy outlines the Group's overall approach to remuneration, and also the governance framework for making remuneration decisions.

The policy is designed to support the business strategy by appropriately rewarding performance and promoting sound and effective risk management, compliance with external regulatory requirements and alignment to the long-term interests of the Group and its shareholders.

The policy establishes over-arching principles and standards to guide local remuneration decision-making, which is aligned to local market norms and regulations. These principles are based around alignment to long-term Company success, pay-for-performance and risk alignment. A total reward approach is used to support talent attraction and retention, such that the reward framework includes both fixed remuneration elements (reflecting an employee's professional experience and responsibility, and can include elements such as base salary, benefits and pension), and variable remuneration elements (which can be awarded to eligible employees, reflecting performance).

The policy establishes specific remuneration provisions for jobholders whose professional activities have a material impact on the risk profile, or who have accountability for Key Governance Functions. These provisions are intended to promote effective risk management and include:

- The balancing of fixed and variable remuneration to enable a fully flexible approach to incentives (including the possibility of paying no variable remuneration).
- The design of incentive plans to encourage performance within the Group's risk appetite, including the consideration of material risk factors in incentive award decisions, the operation of deferral and malus adjustments and the operation of clawback provisions for Executive Directors, and customised arrangements for those accountable for Key Governance Functions to preserve the independence of their roles.
- Arrangements to avoid reward for failure in termination payments, and to exclude personal hedging strategy usage.

Governance measures aimed at avoiding conflicts of interest are incorporated.

The policy is reviewed regularly, to ensure that it complies with the principles of good risk management and reward governance, taking into account regulatory requirements and the nature of the business.

## B.1.5 Variable remuneration performance criteria

Incentive plans encourage performance in line with the business strategy and within the Group's risk appetite and take into account material risk factors and the Group's ability to maintain an adequate capital base.

Incentive plan performance measures:

- Reflect the Group's priority to create shareholder value through sustained growth and profitability, based on its risk profiles. Measures can include for example, profit, underwriting performance, capital, strategic and shareholder value measures, and personal objectives.
- Are quantified on an adjusted basis where appropriate, aligned to the basis on which the operating plans are set and which is the primary basis on which the Group is managed, to provide an undistorted view of business performance and avoid the creation of adverse incentives.

For jobholders whose professional activities have a material impact on the Group's risk profile, a number of mechanisms are included to ensure remuneration does not encourage excessive risk taking:

- Total performance-related variable remuneration is based on a combination of the assessment of the performance of the individual, the Group business unit concerned and the overall result of Intact.
- Targets take account of the Group's operating plan which is set with reference to the risk appetite with input from the Risk function.

- Incentive award funding is subject to risk adjustment for exposure to current and future risks, taking into account the Group's risk profile and cost of capital. An adjustment can take place prior to the payment of Annual Bonus awards, and prior to the vesting of long-term incentive award cycles.
- Individual performance assessments take account of financial and non-financial criteria, and are based on consideration of what is delivered and also how goals are achieved.
- A portion of variable remuneration is subject to deferral to ensure it is aligned with longer-term risk management. The percentage that is deferred, the type of deferred award(s) and the length of the deferral period are determined by taking into account regulatory requirements, the level of the jobholder and the business context.

The Group has provisions to apply malus adjustments and clawback. The GCR has the ability to reduce or forfeit awards that have yet to be paid or vest in the case of shares, to delay the payment or vesting date, or to amend another form of award or benefit which has yet to be received.

For cash bonuses and long-term incentive awards, the GCR may also recover sums already paid to Executive Directors if it considers it appropriate to do so. This can be applied during a two-year period after receipt (in the case of cash bonuses) or, in the case of long-term incentives, delivery.

Variable remuneration arrangements for those accountable for Key Governance Functions are designed to be independent from the performance of the operational units and areas under their control.

In addition to its short, and long-term, incentive plans, the Group operates all-employee share plans (Sharesave and Sharebuild) in a number of countries. Participation is voluntary and available to all qualifying employees. Sharesave is a HM Revenue & Customs (HMRC) tax-advantaged Save as You Earn scheme (in the UK) under which options are not subject to performance conditions, but service conditions apply. Sharebuild is a HMRC tax-advantaged Share Incentive Plan (in the UK). Shares are not subject to performance conditions, but the Matching Shares are subject to service conditions.

## B.1.6 Supplementary pensions

No supplementary pensions are operated by the Group for the members of the administrative, management or supervisory body and other key function holders. All employees in the UK have the opportunity to participate in the Group's defined contribution pension plan, or receive a cash allowance in lieu of pension, or receive a combination thereof. The Group's UK defined benefit pension plans are closed to all new entrants, but some employees, including one Executive Director, have historic benefits built up. Intact operates a registered defined benefits plan and supplementary executive retirement plan for Executives based in Canada. This does not apply to members of the Group Board who do not have historic defined benefit pension benefits but does apply where employees, including Executive Directors, have historic benefits or are contracted to Intact on assignment as Executive Directors of the Group.

## B.1.7 Shareholder and key management transactions

### Shareholder transactions

On 17 June 2025 RSAIG paid an ordinary interim dividend of £160m to 2283485 Alberta Limited.

### Key management personnel transactions

For further information, refer to notes 29.3 and 34 of the RSAIG consolidated 2025 financial statements for detail of transactions carried out with key management during the year ended 31 December 2025.

# B.2 Fit and proper requirements

## B.2.1 Specific fit & proper requirements

The Fitness and Propriety governance document and certain Human Resources policies provide a framework across Intact UK and Intact Ireland's operations for assessment of fitness and propriety of all employees with additional requirements for both new and on-going appointees in the Key Governance Functions, Executive Management, and for directors. The UK Compliance team works with the Ireland Compliance team to ensure the consistent implementation of this governance document across all regulated Intact UK insurer or reinsurer legal entities within the UK and Intact Ireland. Intact Europe have a localised Fitness and Propriety policy, broadly equivalent to the Intact UK Fitness and Propriety governance document.

In addition to the SUK requirements, in the UK, the Senior Managers and Certification Regime (SM&CR) implements a requirement for regulator pre-approval of persons appointed to Senior Manager positions in firms and a Certification Regime that covers Significant Harm Functions (defined as functions performed by employees who are not Senior Managers but who could pose a risk of significant harm to the regulated firm or its customers). In broad terms, Certified Persons are those individuals who through the conduct of their activities could conceivably do harm either to the firm, its customers or the wider market. These individuals are "certified", in the sense that the firm itself (rather than the PRA or the Financial Conduct Authority (FCA)) certifies their "fitness and propriety" annually and on an on-going basis. The Certification Regime reinforces the onus on firms to ensure that their staff are fit and proper.

## B.2.2 Assessment process

The Fitness and Propriety Governance Document outlines the minimum requirements to assess and ensure fitness and propriety, including the governance over roles and responsibilities, to ensure compliance. Responsibility for complying with local regulatory rules and requirements rests with the Board of each relevant legal entity within the Group.

### Fit requirements

The assessment of whether someone is fit must also include an assessment of the person's professional and formal qualifications, knowledge and relevant experience within the insurance sector, other financial sectors or other businesses and shall take into account the respective duties allocated to that person, and, where appropriate, the insurance, financial, accounting, actuarial and management skills of the person.

This must include an assessment of the person's:

- Honesty, integrity and reputation
- Competence and capability
- Financial soundness

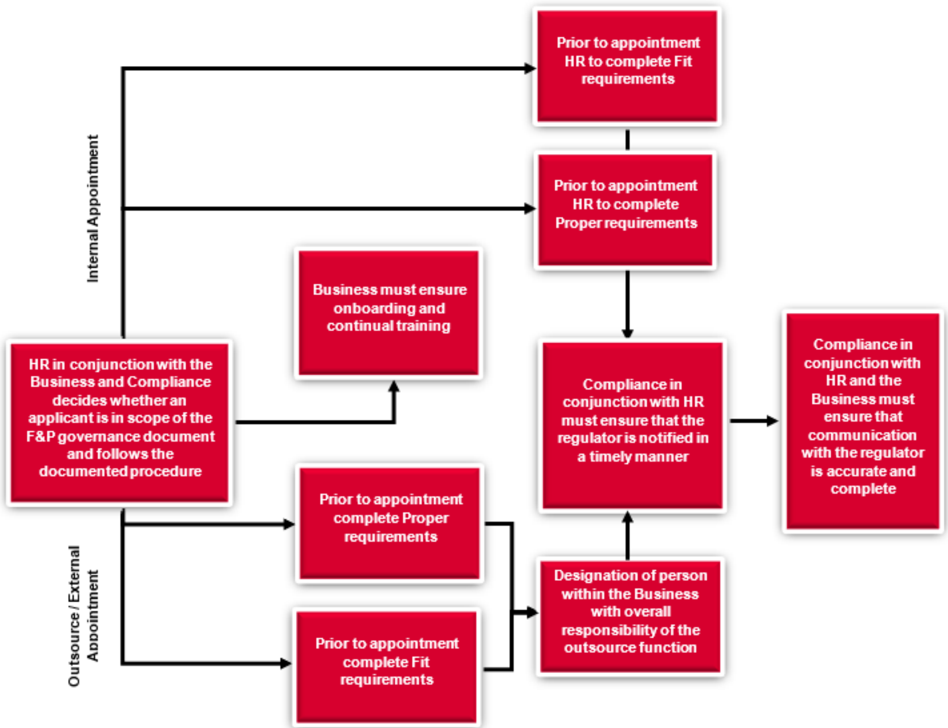
## Proper requirements

When assessing whether a person is 'proper', the following is considered:

- Relevant criminal offences, including any offence under the laws governing banking, financial, securities, or insurance activity.
- Laws on money laundering, market manipulation, and insider dealing.
- Criminal offences under legislation relating to companies, bankruptcy, insolvency and consumer protection.

The following diagram outlines the process for determining fitness and propriety for new appointments. The Fitness and Propriety governance document also requires continued assessment of both fitness and propriety post appointment.

Where the business outsources a Key Governance Function, it designates a suitable person within the business to have overall responsibility for that function. The designated individual who is responsible for the outsourced Key Governance Function must meet the fit and proper requirements and possess sufficient knowledge and experience regarding the outsourced Key Governance Function to be able to challenge the performance and results of the service provider.

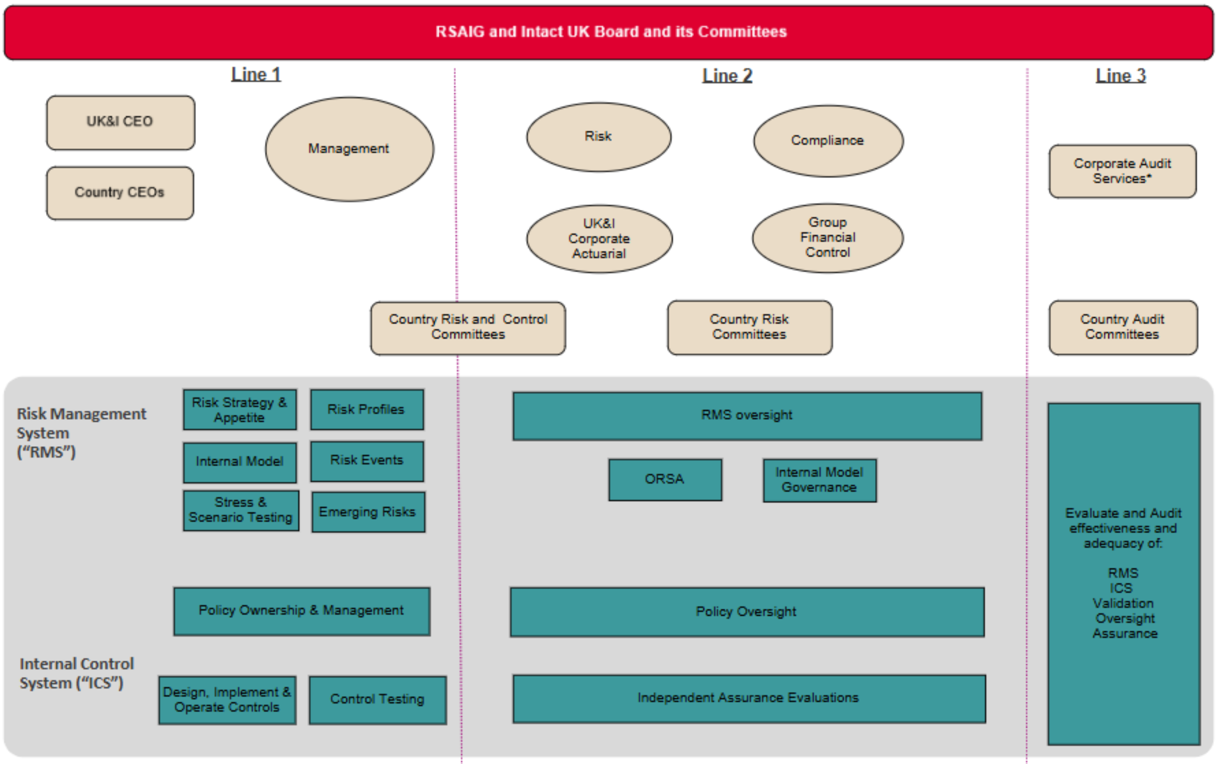


# B.3 Risk management system including the Own Risk and Solvency Assessment (ORSA)

## B.3.1 Description of the Enterprise Risk Framework

### The Three Lines of Defence

The Risk Management System is underpinned by the Three Lines of Defence model, illustrated in the diagram below.




* Internal Audit adopted the title of Corporate Audit Services following 1 June 2021 Intact transaction

### Risk appetite and strategy

The risk appetite statement defines the level of appetite for each risk category, sets high-level limits and tolerances, and then cascades into more detailed risk statements. These are articulated through qualitative statements and monitored through Key Risk Indicators (KRIs) by relevant owners and reported through Risk and Control Committees.

The Board sets the business strategy, which is used to inform the risk appetite statements. The Board approves the risk appetite and KRIs annually for each of the Group's principal risks (e.g. Capital Risk, Market Risk, Operational Risk, etc.) on the recommendation of the BRC. The business also defines appetite statements and KRIs for secondary risks (e.g. Systems Risk, Information Risk, Third Party Risk, etc.) which are cascaded across UK and Ireland, including subsidiaries

Board level risk appetite statements and KRIs are reported to the BRC quarterly. Business level KRIs are reported quarterly to functional risk and control committees (or equivalent), with KRIs that exceed tolerance escalated to the BRC.

## Risk management cycle

The risk management cycle defines the processes, procedures and toolkits used to identify, assess, respond, monitor and report on risk impacting the Business. This cycle ensures that the Group understands key risks to business objectives, that these are managed appropriately, and any material residual risks are appropriately escalated and managed in line with risk appetite.

### Risk identification (all categories of risk)

Risk identification is the process of understanding and capturing any material threats or opportunities that could have a significant impact on the achievement of business objectives. Risk can be identified from various sources using a range of techniques. Sources may include internal and external insights, senior management functions, stress and scenario testing, risk incidents, risk appetite reporting, and controls testing. All members of the organisation continuously assess and evaluate risks within their respective business area supported by formal governance structures at a functional, regional, and legal entity level.

Emerging risks are defined as newly developing or evolving risks that are difficult to quantify and may have a significant impact on the organisation. Emerging risks may be economic, financial, environmental, technological, political, social, or legal/regulatory in nature. Emerging risks are identified and assessed through several forums throughout the business. Outputs from these forums are consolidated, analysed, and reported to the UK&I Enterprise Risk Committee (ERC) and BRC.

### Risk assessment

Once all material risks have been identified, including climate-related risks, the business captures relevant information in a risk register and assesses the residual and target risk exposures using an impact and likelihood matrix. The residual risk exposure (i.e., after considering effectiveness of controls and risk mitigations at a point in time) is used when reporting at functional, regional and legal entity level.

Material risks are periodically reviewed for consideration in the internal model to measure and understand the risks the Group is facing. The outputs of the internal and external models and the stress and scenario testing process also informs the risk assessment process.

### Response, monitoring and reporting risk

The Group has introduced a GCR platform (Decision Focus) to provide a centralised location where all risks are monitored and managed across the organisation.

All material risks are regularly assessed and monitored. When risks fall outside the defined risk appetite or target exposure, a risk response is required. The response may be to either mitigate (i.e., take action to reduce the potential likelihood and/or impact) or monitor (e.g. using metrics, etc.). Risk mitigation may involve strengthening of existing controls and/or the design and implementation of new controls.

Risk owners must agree the risk response and due date, and track action plans through to completion. Progress against plan is reported at least quarterly.

Risk reporting at an aggregate regional level is presented to the ERC and BRC to demonstrate that the business is actively managing risk and that the risk management activities support our executives in fulfilling their responsibilities.

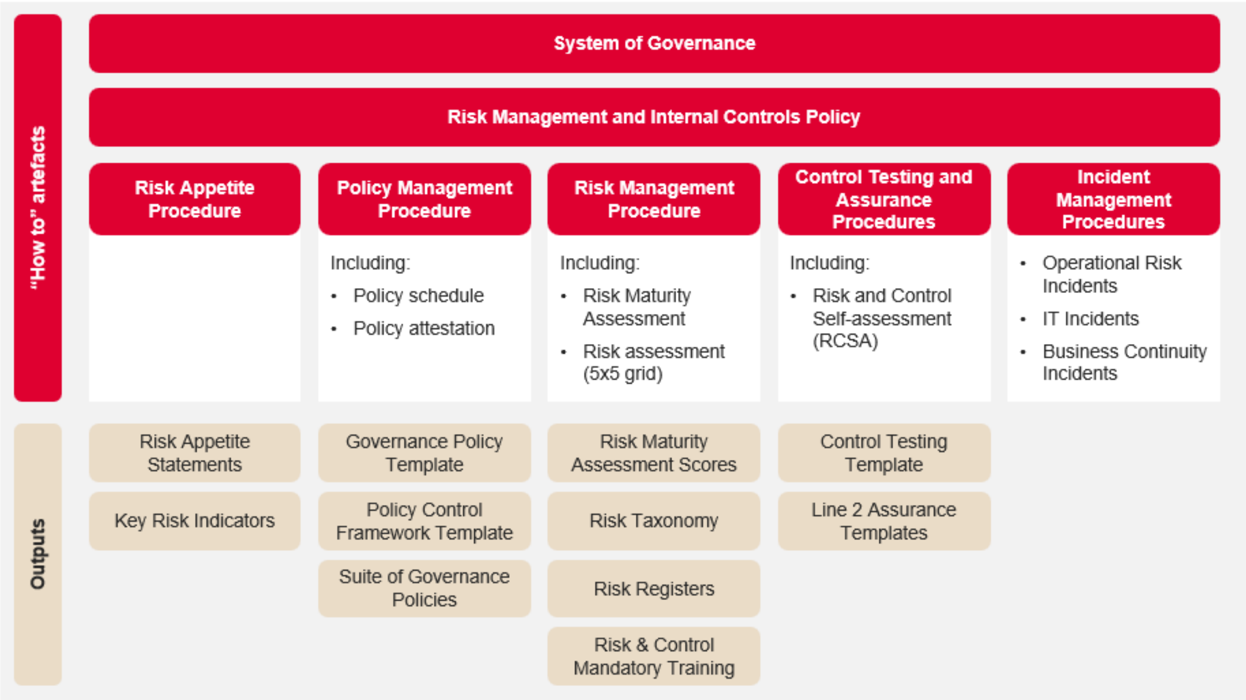
Outputs from the Internal Model are used by the BRC as an integral part of decision making on broader business matters ranging from the setting of risk appetite to allocation of capital and making key strategic decisions, such as acquisitions and divestments.

## B.3.2 Implementation and integration

The Group maintains a consistent approach to the implementation of the System of Governance through the design of the Risk Management and Internal Control Systems. These ensure effective management and monitoring of the risks to which the Group is exposed, protecting our business, clients, employees, and stakeholders, while delivering on our commitments to shareholders.

Our risk management practices focus on mitigating risks that could materially impair our financial position or adversely impact customers, while ensuring full and transparent risk disclosure. The system supports the identification, assessment, response, monitoring and reporting of risk. The Risk Management and Internal Control Systems rely on established control frameworks, including the Financial Control Framework and Compliance Mandate and governance document and remain central to all business decisions.

There were no material changes to the System of Governance structure during the year. The Risk Management and Internal Control System is represented below:




### B.3.2.1 Internal Model governance & validation

The Group has approval from the PRA to use its Internal Model to calculate the Group SCR. This approval also applies to the UK insurance entities, Intact UK, MIC and RSA Re.

Outputs of the Internal Model form an integral part of the Group's decision-making process on matters such as setting the risk appetite, assessing risk exposures and mitigations, as well as allocating capital to individual lines of business and support in key strategic decisions such as disposals.

The model has a governance and assurance framework which oversees how the model is run, updated and results reported.

The structure of the Group Internal Model governance framework is shown in the following table:

| Responsibility | Body/Function | Activity |
|---|---|---|
| Held accountable but delegates Internal Model oversight responsibility to the BRC | Board | Monitors BRC activity and receives sufficient information to oversee the model and understand its outputs. |
| Ensures the Internal Model has appropriate design, operation, risk coverage, and compliance | BRC | Reviews and challenges the Internal Model Governance Committee (IMGC) and planned model development activity, through regular reporting of validation, Internal Model changes, results of model runs and associated sensitivities. It also monitors the ongoing appropriateness of the Internal Model. |
| Ensures operation within regulatory requirements and co-ordinates internal and regulatory economic capital processes | IMGC | Receives and challenges Internal Model run results, identifies the need for and assesses changes to the Internal Model including updates to calibrations and structure. Reviews validation findings and oversees actions of model improvement, including enhancing the uses of the model. |
| Undertakes programme of independent validation and reports results to BRC (with debate at IMGC) | Risk Function (Assurance Provider) | Performs validation activity, identifies and monitors issues through to closure. Reviews and challenges the methodologies, calibrations and outputs of the model including estimated capital positions and forecasts. |

The IMGC provides overall direction and governance of the Internal Model in addition to acting as the coordinating body for the internal and regulatory economic capital process. It regularly updates to the BRC.

The IMGC ensures that the Group's model change policy is adhered to and remains compliant with regulation requirements. It oversees implementation of Data Quality and Assurance processes and ensures that independent model validation is performed. The IMGC provides this oversight for all entities approved to use the Internal Model.

## B.3.2.2 Internal model governance changes in the year

There were no material changes to the Internal Model governance during the reporting period.

### B.3.2.3 Internal model validation

Rule 14.1 of the SCR-Internal Models Part of the PRA Rulebook applicable to Solvency UK firms requires firms to establish independent validation processes to ensure that the Internal Model is properly designed, developed, tested, documented, implemented and used appropriately.

Validation is a regular process, designed to provide the Board with assurance that:

- The Internal Model is fit for purpose.
- The Internal Model achieves its objectives as defined by the business.

Validation assesses the key assumptions and outputs of the Internal Model and involves several tools and activities such as Stress and Scenario Testing, Back-Testing and Benchmarking.

There is segregation of roles and responsibilities between the model validation team and the capital modelling team which develops and operates the model. Model Validation is a Line 2 function reporting to the CRO whilst Capital Modelling is a Line 1 function reporting to the UK&I Chief Actuary.

Results and findings from validation activities are reported to the IMGC, and at least annually in the form of a validation report submitted to the BRC and ultimate relevant legal entity Board.

## B.3.3 ORSA

### B.3.3.1 ORSA process

The ORSA process is a continuous process that takes input throughout the year, to assess how the risks of the business change over time and the consequential impact on the solvency needs and strategy of the business. Throughout the year, the Board and BRC review a range of activities, and a final report is presented to the BRC and the Board at an appropriate time each year. The report summarises papers and associated decisions taken during the period and highlights key areas of action needed over the forthcoming year. The ORSA report update may be initiated at any time during the year when material changes in the business occur.

### B.3.3.2 ORSA review and approval

Papers covering individual components of the ORSA are presented to the RSAIG Board and UK/EEA insurance entity Boards.

The ORSA report is presented annually to management, the BRC and the relevant Board.

### B.3.3.3 Own solvency needs

As part of the ORSA process, the Group looks at the capital it needs using various bases including:

- SUK SCR
- Economic Requirement (including looking at risk to ultimate)

Using these measures, it is then able to assess in aggregate its Own Solvency needs and corresponding capital available. The Internal Model is used for the calculation of the SCR and internal economic measures and is calibrated based upon the risk exposures of RSAIG and the UK insurance entities.

In addition, when setting the risk appetite, various levels of buffer to cover potential operating shocks are allowed for. Finally, as part of the Operational Plan and ORSA processes, the capital position of the Group is projected over the period of the operating plan to ensure that the Group will have sufficient capital to meet its needs.

## B.3.4 Group consistency

The Group operates under a common framework through which risk management and control is embedded. Each business within the Group is required to follow consistent processes, using a common language, to identify, assess, respond, monitor and report its risks, in line with a consistent and comprehensive set of policies.

Policies define the risk management principles and internal controls. Each policy is assigned a Managing Owner with responsibility for ensuring that the policy is embedded across the business.

Policies are linked to risk appetite and address the Group's material risk categories, namely:

- Insurance Risk
- Financial Risk including Market Risk, Credit Risk and Liquidity Risk
- Operational Risk (including Customer Risk)

Policies set out the framework for managing key risk areas within the organisation's risk appetite. Where set at IFC Group level, they are all required to be implemented, adopted locally or, by exception, localised, by all businesses and are formally adopted by all the Group's UK/EEA insurance entity Boards.

## B.3.5 Use of single Group ORSA

The Group received reapproval from the PRA to continue producing a single ORSA report for the Group and its UK regulated entities until July 2029.

# B.4 Internal control system

## B.4.1 Description of the internal control system

The Group maintains an effective internal control system comprising administrative and accounting procedures, an internal control framework, with appropriate testing, assurance and reporting arrangements at all levels, a delegated authority framework, and a compliance framework. The internal control system is underpinned by the Three Lines of Defence model, refer to Section B.3.1 for further details.

The internal control system comprises three key elements:

**Internal control framework** - whereby policies establish standard controls, which are implemented and operated by the business; supplemented by objective Line 1 testing and independent Line 2 assurance processes. The internal control framework includes financial controllership, which is subject to assurance through the Financial Control Framework and its Independent Quality Assurance process.

**Delegated authority framework** - whereby authority is cascaded down from the Board to the business.

**Compliance framework** - sets out the standard control processes to minimize, and/or prevent the risk of material loss, reputational damage or liability arising from the failure to comply with regulatory requirements.

### Internal control framework

The internal control framework is designed to identify and mitigate, rather than eliminate, the potential risk of failure to achieve business objectives. It only provides reasonable, and not absolute, assurance against material financial misstatement or loss.

Group policies cover material risk types to which the Group is exposed and set out both risk management principles and internal controls, for business activities, including delegated activities. This allows the Group to achieve its objectives including effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

The framework is embedded across all levels of the business. Policies set out expected Line 1 control testing activities (design and operating effectiveness) with controls captured in control libraries. Control testing plans (including risk and control self-assessment) are risk-based, with testing results reviewed and challenged by Line 2 on a sample basis.

Progress and findings of control testing and assurance activity are reviewed by Functional Risk and Control Committees (or equivalent), which have been established with similar Terms of Reference. Key issues identified in the committee meetings are escalated to local entity boards or audit committees. Relevant trends and risks will also be notified to the BRC as appropriate.

### Delegated authority framework

The delegated authority framework specifies how and what executive authority is delegated from the Board to the UK&I CEO, and onwards to senior management within the Group. The UK&I CEO and senior executives across the Group receive an executive licence setting out their specific limits of authority in terms of entering into financial, underwriting, claims and other business commitments. Each executive is responsible for ensuring that their subsequent delegations are made in a controlled and diligent manner following the same principles of this framework.

Effective management of delegated authority enables the business to:

- Ensure that decisions are being made effectively and efficiently throughout the organisation.
- Ensure that all employees execute their responsibilities within a clearly defined set of limits and subject to specified terms and conditions appropriate to their role, competence, experience, and technical capability.

- Ensure that the risks associated with managing and delegating authorities are mitigated with appropriate preventative and detective controls and remain within risk appetite; and
- Ensure compliance with relevant regulatory and statutory requirements.

The delegated authority framework is consistently applied across the Group's businesses. Individuals must operate and/or authorise within limits delegated by the UK&I CEO, their direct reports, and/or governing bodies. The powers of the Board, and the extent to which these powers may be delegated or must be retained, are set out in detail in the Matters Reserved for the Board or Terms of Reference for the Board committees.

### Compliance framework

The Compliance framework consists of the Compliance Mandate, Compliance Governance Document and Compliance Plans. Ultimate responsibility for compliance with the relevant rules and regulations rests with the Board, the Executive, and the senior management in each business. Advice, challenge, interpretation, and assurance are provided to these bodies by the Compliance function operating as a second line of defence.

The framework is owned by the Compliance function. It helps safeguard the Group, its customers, reputation, and assets by promoting the identification of risks and understanding and compliance with all applicable conduct and regulatory requirements. This is achieved through the application of relevant policies, frameworks, effective communications, guidance, and horizon scanning to support the business to promote a compliant culture throughout the organisation.

The framework was developed to deliver assurance over the Group's compliance with regulatory requirements to both internal and external stakeholders.

Each business is responsible for implementing controls to ensure compliance with all applicable regulatory requirements and ensuring these controls remain effective. The ultimate responsibility rests with the local board, executive management, and senior leadership.

## B.4.2. Compliance function

The Compliance Governance Document sets out the requirements that the Compliance functions across UK&I must have in place to provide advice, guidance and assurance to the business, and operate as an effective Line 2 function within the RSAIG governance model. Each region and country is required to have a Compliance team, as set out in the Compliance Governance Document.

The UK&I Compliance function, led by the UK&I CCO, is comprised of the UK and Ireland Compliance teams. The UK Compliance function also includes the Line 2 Data Protection Office and UK based IFC Group Financial Crime Head Office function.

The Compliance function provides support, challenge and guidance across UK&I operations to promote the delivery of good customer outcomes and ensure that regulatory risks are identified, managed and mitigated to within appetite by the business.

In respect of wider UK&I activities, the UK Compliance team provides leadership, oversight, challenge and support to the Ireland Compliance teams. The UK team conducts regulatory risk-based assurance reviews to support the business need to meet regulatory requirements effectively. The UK Compliance team, in conjunction with the Ireland Compliance team, reports quarterly to the GCR Committee with an assessment of how the UK&I businesses and functions are meeting those requirements.

The UK&I Compliance function establishes, implements and maintains an annual Compliance Plan for Intact UK setting out the principal activities to be undertaken in the upcoming year. A summary of the UK and Ireland Compliance Plans is presented annually to the applicable governance forum for approval. Material updates to the Compliance Plan are submitted to the applicable governance forum, at least every six-months.

The UK Compliance team leads and develops the relationship with the UK PRA and FCA to achieve a mutually beneficial relationship with the regulators for UK&I and the UK legal entities. It supports UK&I in dealings with regulators in an open and co-operative manner, keeping them fully and promptly informed of all matters they may reasonably expect to have disclosed to them.

The UK Compliance team also manages the relationship with other regulators such as the Information Commissioner's Office, Office of Trade Sanctions Implementation and Office of Financial Sanctions Implementation.

# B.5 Internal audit function

## B.5.1 Implementation

The primary purpose of the Corporate Audit Services (CAS) function is "to keep the company safe and improving". Specifically, it helps the Board and Operational Committee to protect the assets, reputation and sustainability of the Group business.

CAS does this by assessing whether all significant risks are identified and appropriately reported by management and the second line of defence to the Board and Operating Committee; assessing whether they are adequately controlled, and by challenging Management to improve the effectiveness of governance, risk management and internal controls.

CAS is an independent and objective function reporting to the UK&I Board through the Audit Committee. The UK&I Chief Auditor is a member of the UK&I Operational Committee and has a primary reporting line to the Chair of the Audit Committee, with a secondary line to the UK&I CEO.

In Europe, CAS is an independent and objective function reporting to the Board of Intact Europe. The Intact Europe Head of Audit has primary reporting lines to the Chairman of the Intact Europe Audit Committee and the Audit Director, Global Speciality Lines, with a secondary line to the Intact Europe CEO. The Audit Director, Global Speciality Lines reports to the Intact Group Chief Auditor. For further details regarding CAS within Intact Europe, refer to Intact Europe's SFCR which is available from www.intactinsurance.co.uk.

CAS's scope of activities is unrestricted and its audit universe extends to all legal entities, joint-ventures and other business partnerships, outsourcing and reinsurance arrangements. Its scope includes first line control validation, second line control assurance and the System of Governance as set out under SUK. Whilst it is not the role of CAS to second guess any decisions made by the Board and its Committees, its scope does include information presented to the Board and its Committees.

On a semi-annual basis the UK&I Chief Auditor submits a six-monthly rolling risk based audit plan (i.e. detailed plan for the upcoming six months, together with an outlook for the subsequent six months), including emerging and systemic risks to the Audit Committee for review and approval. The six-monthly rolling audit plan is developed based on CAS's independent risk assessment and a prioritisation of the audit universe, considering inputs from Executives, Senior Management and the Audit Committee, and CAS's assessment of key risk measurement criteria including financial, regulatory, strategic and fraud risks that could impact the organisation.

CAS coverage of the audit universe should be based on the principle of a five year cycle, whereby the level of risk will continue to determine the audit frequency, during which it shall aim to cover very high risks every 1-2 years, high risks every 2-3 years and medium risks every 3-5 years. Low risk areas are covered as needed. Any very high and high risk areas not covered within the desired timeframe is transparently reported to the Audit Committee.The UK&I Chief Auditor reviews and adjust the plan, as necessary, in response to changes in the business, risks, operations, programmes, systems, and controls. Any material changes to the CAS plan is communicated through quarterly reporting to the Audit Committee for approval. CAS may conduct audit engagements which are not included in the audit plan, these may be carried out without notice.

In addition to the six-monthly rolling audit plan that is reviewed and approved by the Audit Committee, the UK&I Chief Auditor ensures that the function has a multi-year outlook in line with the business's strategic and operational plan.

The UK&I Chief Auditor ensures that CAS has the appropriate budget and resources and that CAS collectively has the skills and capabilities to effectively deliver on its purpose and mandate. This includes consideration of trends and emerging issues that could impact the organisation. Where appropriate, independent internal or external co-sourced resources may be engaged to supplement the core team and deliver all or part of an audit engagement.

Annually, the UK&I Chief Auditor provides the Audit Committee with an assessment of the skills and capabilities required to conduct the work needed, and whether the budget is sufficient to allow the function to recruit and retain staff with the expertise and experience necessary to provide effective challenge throughout the business and to Executive Management. The Audit Committee is responsible for approval of CAS's plan and budget, and reviews and confirms annually that CAS is staffed appropriately and operating effectively.

CAS operates an ongoing Quality Assurance programme that is outsourced to an external provided. Annually, the external provider reports a summary of the Quality Assurance results to the Audit Committee. Further, CAS performs an annual assessment of compliance with professional standards of which the results are reported to the Audit Committee. The function is governed by an Internal Audit Charter which sets out the function's role, mandate and authority, and includes independence and objectivity criteria.

## B.5.2 Independence and objectivity

CAS must be independent from management at all times in order to be effective in delivering on its purpose and mandate. Internal auditors shall have no operational responsibility or authority over any business activities, day-to-day risk management or control activities.

Internal auditors are expected to remain independent and objective in all assignments and do nothing that might prejudice or be perceived as prejudicing independence and objectivity. Impairments to independence and objectivity may include, but are not limited to:

- Auditing business areas for which an individual previously worked, was seconded to, or was previously responsible for (auditors must refrain for a period of at least 12 months); and
- Auditing an area where an individual has a close relationship with one of its staff (e.g. partner, family member).

Independence and objectivity may also be impaired if an individual is approached about, or receives, an offer of employment from an area that they will be, or are, auditing. To prevent undue influence, the Chief Auditor must be advised of any approach and has the option to defer the offer for up to six months following completion of the audit.

If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed immediately to the Chief Auditor, who will determine whether the Audit Committee will need to be informed.

Audit activity will remain free from interference by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mindset.

The Chief Auditor reports, at least annually, to the Audit Committee on the independence of the Function and its staff. This is supported by a formal assessment of independence and objectivity for long serving staff, together with an independence self-certification signed by all members of CAS. The Chief Auditor will disclose any interference and its implications to the Board via the Audit Committee.

Where the tenure of the Chief Auditor exceeds seven years, the Audit Committee will discuss the Chair of the Audit Committee's assessment of the Chief Auditor's independence and objectivity. Thereafter the Audit Committee will consider the Chief Auditor's independence and objectivity annually.

# B.6 Actuarial function

The Actuarial Function coordinates the calculation of technical provisions. It provides assurance that the approach to setting technical provisions uses appropriate homogenous risk groupings, methods, models, and assumptions. It assesses the appropriateness, completeness and accuracy of the underlying data and ensures that any limitations of data used have been appropriately dealt with. It applies methodologies and procedures to assess the sufficiency of the SUK technical provisions in order to provide an opinion on the reliability and adequacy of technical provision estimates. The Actuarial Function assesses the sources and degree of uncertainty associated with the technical provision estimates and carries out sensitivity analysis to understand how key areas of judgement could impact estimates. It informs on areas where experience has been different to expectation and how this has influenced methods, models and assumptions. The Actuarial Function also provides an opinion on the underwriting policy and the adequacy of reinsurance arrangements. The Actuarial Function cooperates closely with the Risk Management Function on issues such as oversight of our Internal Model and contributes to the effective implementation of the risk management system.

Independence of the Actuarial Function is achieved by business unit actuarial teams and their Head of Reserving retaining 1st line responsibility for calculation of technical provisions. The line 1 work and recommendations are reviewed by the Head of the Actuarial Function, as required at regional level for separate legal entities within RSAIG and at consolidated RSAIG level. The business units and the entity level Actuarial Functions, where required, confirm that appropriate data, assumptions and methodologies have been used in preparing their estimates, and that all controls and governance have been successfully completed, in line with RSAIG reserving policy. The RSAIG Actuarial Function consolidates the business unit results into the total Group position and co-ordinates independent review of the regional provision calculations in a 2nd line capacity in order to fulfil its oversight responsibilities.

The UK&I Chief Actuary leads the RSAIG Actuarial Function and has independent access to the Audit Committee. On an annual basis, the Group Actuarial Function agrees its areas of focus for the coming year with the Audit Committee. It produces Actuarial Function Reports summarising the key conclusions of the Actuarial Function's work along with recommendations on how any identified areas for improvement should be remedied. These Actuarial Function reports are presented to the Audit Committee and/or the BRC. The RSAIG Actuarial Function also provides quarterly updates on SUK technical provisions to the Audit Committee.

# B.7 Outsourcing

## B.7.1 Policy and key activities

Intact's approach to third parties and outsourcing is based on a regional Third Party Risk and Outsourcing Policy, with local adoption and implementation. There is a separate Procurement Policy covering spend and contracting for relevant suppliers, and related policies and frameworks specify controls for specific types of outsourced contract such as delegated underwriting and claims arrangements.

The Third Party Risk and Outsourcing Policy provides definitions of 'Outsourcing', 'Material Outsourcing' and 'Intra-Group Outsourcing' to drive a consistent approach. The Policy sets out the principles to be followed in relation to third party risk management, relationship management, outsourcing and intra-group outsourcing, from on-boarding to termination / off-boarding. Together, these policies, frameworks and standards guide our approach to oversight and help Intact meet regulatory and legal obligations

Service providers of activities designated as outsourcing or critical non-outsourcing are generally located in the same legal jurisdiction as the relevant local entity (although many services are physically provided from overseas locations such as India).

Examples of service types outsourced - in whole or in part - in one or more regions include:

- IT Infrastructure services
- IT Application development/maintenance
- Loss adjusting
- Print and fulfilment
- Claims handling
- HR/Payroll
- Claims legal services
- Finance billing
- Fund management, custody and investment accounting

## B.7.2 Intra-Group outsourcing arrangements

During the year, the Group entered into outsourcing contracts and distribution arrangements with third parties in the normal course of its business and is reliant upon those third parties being willing and able to perform their obligations in accordance with the terms and conditions of the contracts.

Local entities within the Group also enter into outsourcing agreements with other members of the Group in relation to the efficient provision of services across the Group. Regardless of whether an internal or third party outsourcing arrangement has been entered into, ultimate responsibility for the outsourced activity and regulatory compliance lies with the local entity board.

Specific material intra-group arrangements include the provision of certain investment services, such as valuation, and other back-office services such as, but not limited to, finance, IT and risk management, to other subsidiaries.

# B.8 Any other information

## B.8.1 Adequacy of system of governance

The adequacy of the System of Governance is formally considered by the Board annually. This process considers both changes and recommendations made during the year (including through Internal Audit, Risk and Compliance reporting) and any recommendations by the other corporate departments based on their observations or regulatory change. Should it be deemed necessary, changes can also occur outside of this formal review. The Group's System of Governance is effective and fit for purpose taking into account the nature, scale and complexity of the risks inherent in its business.

## B.8.2 Any other material information

Nothing to report.

# C. Risk Profile

## In this section



The Group is exposed to the following main categories of risk:

- Insurance risk
- Market risk
- Credit risk
- Liquidity risk
- Operational risk

The first five categories are described in Sections C.1 to C.5 respectively. Insurance risk includes Catastrophe Risk and Reserving Risk, and these are all described under the prescribed heading "C.1 Insurance Risk".

The Group quantifies its exposure to different types of risk as part of its SCR calculation. See reporting template IR.25.04 in Appendix 8 for a breakdown of how much each type of risk contributes to the SCR.

This section applies to the Group. Refer to Appendices 2, 3 and 4 for information regarding the subsidiaries.

# C.1 Insurance risk

## C.1.1 Introduction

### Underwriting, claims and reinsurance risks

The Group manages these risks through its underwriting strategy, reinsurance arrangements and proactive claims handling.

The Group risk appetite statement sets the high-level appetite for insurance risk.

Additionally, the Group has a number of centrally managed forums to examine Group underwriting and claims issues, review and agree underwriting direction, promote collaboration and sharing of best practice and set policy, frameworks and directives where appropriate.

The underwriting strategy aims to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography.

The UK&I Chief Underwriting Officer sets the Underwriting line of business risk appetite and strategy, which is cascaded to line of business portfolio leaders for defined portfolios, implemented through portfolio strategy statements. Individual risks are written within the parameters of the portfolio strategy, risk appetite and underwriting licence authority.

Specific to the Group risk appetite, the underwriting and claims policies define the controls implemented to manage the Group's limited appetite for:

- 'Special High Risks', including long-term policies, full insurance delegated authority arrangements and lines of business where the Group lacks appropriate specialist expertise and Reinsurance support e.g. Aviation and Space.
- Writing business in 'High Risk Countries' so designated due to sanctions or presenting an unacceptable level of operational risk. The High Risk Country Committee periodically reviews and communicates 'High Risk Countries'.

### Reserve risk

The Group establishes technical provisions for claims to account for the anticipated ultimate cost of all claims and relevant expenses for claims that have already occurred. The Group establishes technical provisions for both reported and unreported claims. Technical provisions estimates are based on known facts and on interpretation of circumstances including the Group's experience with similar cases and historical claims payment trends. The Group also considers the development of claims payment trends, levels of unpaid claims, judicial decisions, legislation changes, economic conditions, geopolitical uncertainty, changes in the business and the claims environment, and any other relevant information.

## C.1.2 Measures used to assess risk

### Underwriting and claims risk

The Group's underwriting and claims strategy and risk appetite are reviewed, challenged and approved by the Board annually.

Key risk indicators assess risk against the Board risk appetite and these are reported at the quarterly Enterprise and Board Risk Committees. The secondary underwriting risk indicators are now embedded in regular reporting material to the Enterprise and Board Risk Committees. Claims risk indicators include assessment of financial controls, technical claims handling quality, case reserving, counter fraud performance and external delegated authority.

Underwriting operates a quarterly Risk and Control Committee which oversees the operational effectiveness of controls and plans to reduce key risks. Material risks and issues are escalated to the Enterprise Risk Committee and Board Risk Committee.

Stress and Scenario testing and risk profiling are undertaken and are reported through the Enterprise and Board Risk Committees too.

Accumulations for locational static exposures are modelled using the GAIA Exposure Data Management system to identify 'Per Risk' and Catastrophe risk concentrations and to inform scenario modelling and reinsurance purchase. The Accumulation Management Steering Group (AMSG) has formal oversight of accumulation exposure management and sets requirements for identifying and controlling 'Per Risk' and Catastrophe risk concentrations.

The effectiveness of pricing tools and process is measured through the Pricing Capability Assessment Questionnaire operated by the Group to benchmark the capability against defined measures. The Pricing Capability Assessment Questionnaire defined measures include an assessment of the pricing components i.e. use of historical claims frequencies and severity averages, adjusted for inflation and modelled catastrophes trended forward to recognise anticipated changes in claims patterns and allowance in the pricing procedures for acquisition expenses, administration expenses, investment income, the cost of reinsurance, and for a profit loading that adequately covers the cost of capital.

Underwriting and Claims Validation Reviews are held periodically to test the effectiveness of the processes and controls in the risk management frameworks. Where gaps are identified, appropriate action is taken to either remediate, monitor or risk accept based on the materiality. Oversight is provided by the Risk and Control Committees with escalation to the Enterprise and Board Risk Committees depending on materiality.

## Reserve risk

The Group has a Reserving Committee covering all claims liabilities within the Group's perimeter. This committee is chaired by the UK&I Chief Actuary and consists of the UK&I CEO, the UK&I CFO, UK&I CUO, the UK&I CRO, the UK&I COO and the Managing Directors for key operating segments. The Intact Group Chief Risk & Actuarial Officer is also invited to attend the meetings of the committee. A similar committee has been established in each of the Group's primary operating segments. The Reserving Committee monitors the decisions and judgements made by the business units as to the level of technical provisions. The Reserving Committee recommends the level of technical provisions to be held to the Board via the Audit Committee.

In forming its collective judgement, the Reserving Committee considers the following information:

- The actuarial indication of ultimate losses together with an assessment of risks and possible favourable or adverse developments that may not have been fully reflected in calculating these indications. These risks and developments include: the possibility of future legislative change having a retrospective effect on open claims or changes in interpretation or regulatory application of existing legislation; changes in claims settlement practice or procedures and supply chain delays potentially leading to future claims payment patterns differing from historical experience; the possibility of new types of claim arising either from changes in business mix, or, such as disease claims emerging from historical business; general uncertainty in the claims environment and emerging claims trends; the emergence of latent exposures; the outcome of litigation on claims received; failure to recover reinsurance as the Group expects and unanticipated changes in claims inflation.

- How previous actuarial indications have developed as claims experience has evolved.

- Assessment of any changes in, or uncertainty around, the initial a priori loss ratio estimates. These can be impacted by many factors such as changes in market conditions, the level of rate, or changes to policy terms and conditions.

- The views of internal peer reviewers of the reserves and of other parties including actuaries, legal counsel, risk directors, underwriters and claims managers.

- The outcome from independent assurance reviews performed by both external actuarial consultants and the IFC Actuarial Function to assess the reasonableness of regional actuarial indication estimates.

- The uncertainty in the future economic environment, ongoing inflationary pressure on claims and expenses and evolving geopolitical instability which could have an impact on ultimate claims costs. This is a key uncertainty that is monitored by the RSAIG Reserving Committee with sensitivity testing to monitor, assess and understand potential impacts should the risks manifest.

Whilst many uncertainties which arose during the COVID-19 pandemic have reduced as claims settle, there are some ongoing legal challenges in the market which we monitor and assess for any potential implications to our business. The heightened inflation that arose post-pandemic has now largely stabilised, and in some places eased, but claims inflation has persisted above pre-pandemic levels. Additional uncertainty has arisen from increasing global geopolitical uncertainty. It will take time for the impact on areas such as claims inflation or supply chain delays to become apparent, necessitating increased use of judgement in our estimates as experience matures.

There have been no material changes to measures used during 2025.

## C.1.3 Material risks

Material risks identified during the reporting period include:

- **Catastrophe Risk** - Covers the risk that a single event or series of events of major magnitude usually over a short period, leads to a significant increase in actual claims compared to total expected claims. Losses can arise from either natural perils, for example hurricane, windstorm, flood and earthquake, or from non-natural perils, for example fire or explosion.

- **Pricing Risk** - The risk that portfolio pricing strategies, monitoring and rating are insufficient to generate sufficient returns in key portfolios to pay claims and maintain profitability.

- **Reserving Risk** - The risk that case reserves are insufficient, untimely or inaccurate leading to unforeseen adverse development, or that claims handling practices have changed and give rise to different future development to that expected. The risk that more claims are reported in future than anticipated, or that settlements cost more than we expect and claims severity increases. The risk that legislative changes have a retrospective effect on claim settlements. The risk that new types of claims arise, such as disease claims from historic business and the emergence of latent exposures.

- **Underwriting Risk Selection** - Covers the risk that claims arising on exposures after the valuation date are higher (or lower) than assumed in the pricing other than due to catastrophes. This can arise as the result of bad experience, third party interventions, ineffective portfolio management, poor pricing, poor risk selection or failure to underwrite effectively.

- **Claims Management Risk** - Financial losses through ineffective claims management processes or performance.

We continue to run our Underwriting Emerging Risk Forum with Underwriting, Claims and Risk representation, which identifies and monitors emerging risks and feeds our proactive stress and scenario programme to ensure exposures remain within risk appetite. Output feeds into the hierarchy of Risk Committees up to the Board Risk Committee.

## C.1.4 Application of the prudent person principle

The prudent person principle is not applicable to underwriting risk.

## C.1.5 Material risk concentrations

The Group's peak Natural Catastrophe zone is Northern European windstorm, where the Group purchases reinsurance to protect against losses of up to a limit of £1.4bn (2025: £1.8bn, reducing to £1.65bn on the 1 July 2025). The 2026 programme ground-up limit reduction is driven by the reduction in exposure from UK personal lines as the portfolio continues to run-off.

Large individual risks, for example city shopping centres, are closely monitored via the risk management system. These are protected both by the Global Property Risk treaty and, in a multiple loss scenario, by the Global Catastrophe treaty.

## C.1.6 Risk mitigation

The Group operates a comprehensive risk management system and policy management framework. This system includes policies which govern key activities such as Underwriting, Claims, Reinsurance and the assessment of insurance risks. The policies introduce a system of mandatory controls frameworks which stipulate a system of minimum requirements and standard controls, and key risk indicators which are used to measure the effectiveness of these controls in mitigating risk. Each quarter, management are required to report on the operation and effectiveness of these controls to governance committees. Key risks are escalated to functional Risk Committees and to the BRC. Controls which are not considered effective are subject to remedial action and risk oversight.

The Underwriting and Claims governance and control framework spans a number of key activities, including (but not limited to):

- Delegation of Technical Authority (Internal and External) including Licensing and Referrals
- Portfolio Strategy, Performance and Risk Management
- Underwriting Product Development
- Pricing
- Accumulation and Exposure Management
- Multinational Risks
- Risk Control/Inspection
- Underwriting and Claims File Review/Validation
- Claims Management Processes
- Case Reserving

The management and mitigation of credit risk for reinsurance are described in Section C.3.6 Risk Mitigation.

In the ordinary course of business, the Group reinsures certain risks with external reinsurers to limit the maximum loss in the event of catastrophic events or other significant losses. The Group’s objectives related to ceded reinsurance are primarily capital protection and are not intended to manage quarter to quarter volatility of results. These reinsurance arrangements mean that the Group’s net retentions (including reinstatement premiums and co-participations) are within agreed risk appetite metrics.

The placement of ceded reinsurance is mainly on an excess of loss basis (per event or per risk), but some proportional cessions are made for specific portfolios. Annually, the Group reviews and adjusts its reinsurance coverage to reflect current exposures and its capital base. The most material component of the Group’s reinsurance programme is the catastrophe treaty, for which more detail is provided below.

The catastrophe reinsurance programme for the Group’s business is provided on a combined basis with Intact’s operations in Canada and the US. The Group’s approach for setting limits is consistent with prior years. The following table summarises the net retention and coverage limits for multi-risk events and catastrophes. From the Group’s perspective the retention/limit from an event in the US or Canada would be shared with the Intact Group domestic operations in the respective territory.

| As of 1 January | 2026 | 2025 |
|---|---|---|
| **UK & Europe located events** (in million of GBP) | | |
| Retention[1] | **150** | **150** |
| Coverage limits[2] | **1,400** | **1,800**[3] |
| **US located events** (in million of CAD) | | |
| Retention[1] | **150** | **150** |
| Coverage limits[2] | **1,400** | **1,300** |
| **Canadian located events** (in million of CAD) | | |
| Retention[1] | **350** | **350** |
| Coverage limits[2] | **5,700** | **5,600** |

[1] Excludes reinstatement premium, tax impacts and co-participations between the retention level and coverage limit.

[2] Represents the ground up limit before co-participations and retention level.

[3] The coverage limit reduces to £1,650m on 1 July 2025.

In addition to the above, we have placed a global cover protecting against multiple catastrophe events during 2026. Similar to the equivalent coverage in 2025, losses to specified layers beneath our main catastrophe retentions, from all business segments, are added together across the year; the total of these losses is then protected above an aggregate deductible. This coverage provides $250 million of limit.

## C.1.7 Risk sensitivity

The Group performs sensitivity analysis alongside stress testing and scenario analysis to understand the impact of economic and non-economic volatile conditions that could have an impact on the Group's solvency and liquidity positions. See Section C.7 for information and details on stress testing and sensitivity analysis for all categories of material risk.

# C.2 Market risk

## C.2.1 Introduction

The Group is exposed to market risk, which is the risk of potential losses from adverse movements in market prices including those of debt & fixed income instruments, public equity securities, property, exchange rates and derivatives as well as credit rating downgrade risk, credit spread risk, credit default risk and asset-liability matching risk.

## C.2.2 Measures used to assess risk

The Group assesses its market risk exposures through a number of factors including exposure by asset class, credit rating of counterparties, asset liability mismatch due to divergence in duration and currency exposures, and concentration of exposures. In addition, stress and scenario analysis is undertaken to assess market risk exposures.

Exposures are controlled by the setting of investment limits and managing asset-liability matching in line with the Group's risk appetite.

The BRC, on behalf of the Board, is responsible for reviewing and approving the investment strategy for the Group's investment portfolios. It provides approval for all major changes of the Group's investment strategy. The Asset Management Committee (AMC) reviews and approves any substantive changes to the balance of the Group's investment funds within the strategy framework agreed by the BRC. In addition, asset liability matching both by currency and duration is monitored by the Capital Management Committee.

The Board sets the Group's risk appetite and approves investment risk limits to the AMC. To remain within the Group's risk appetite, AMC oversees appropriate limits for asset class exposures, single counterparty exposures, aggregate exposure to debt & fixed income investments by credit rating and portfolio duration. These limits aim to keep exposures within the Group's risk appetite while ensuring the portfolio is sufficiently diversified. Investment exposures relative to these limits are regularly monitored and reported.

The Group has made an allocation to private investments. Aggregate allocation to private investments is reviewed by the BRC and AMC. Allocation to new private investments are approved and monitored by AMC.

The Group credit rating methodology takes into account ratings from the major credit rating agencies as well as other risk analysis including that undertaken by external fund managers. The Credit Rating Review Committee (CRRC) is responsible for reviewing material credit exposures, private investments, and unrated investments, where assignment of an internally approved rating may be appropriate.

A small number of the Group's property holdings are Group occupied and therefore are reported as property, plant & equipment held for own use in the SUK balance sheet. The Group's holdings of investment property are recorded separately, and these investments are held as part of a diversified portfolio management strategy.

Operational currency risk is managed within the Group's individual operations by broadly matching assets and liabilities by currency.

Structural currency risk is largely managed at a Group level through currency forward and swap contracts. In managing structural currency risk, the needs of the Group's subsidiaries to maintain net assets in local currencies to satisfy local regulatory solvency and internal risk based capital requirements, are taken into account. These assets should prove adequate to support local insurance activities, irrespective of exchange rate movements. Consequently, this may affect the value of the consolidated shareholders' equity expressed in sterling.

There have been no material changes to the measures used to assess risks during 2025.

## C.2.3 Material risks

The Group is exposed to the following material market risks:

### Interest rate risk

The fair value of the Group's portfolio of public debt & fixed income securities is inversely correlated to changes in market interest rates. Thus, if interest rates fall, the fair value of the portfolio would tend to rise and vice versa.

In assessing this risk, the Group will have reference to the interest rate exposures of its liabilities with risk being the difference between asset and liability exposures.

### Equity price risk

The Group's portfolio of public equity securities is subject to equity risk arising from changes in market price. Thus, if the value of equities falls, so will the fair value of its portfolio and vice versa.

The Group maintains a high-quality investment portfolio and regularly monitors developments in the performance of its assets.

### Property price risk

The Group's portfolio of properties is subject to property price risk arising from changes in the market value of properties. Thus, if the value of property falls, so will the fair value of the portfolio and vice versa.

### Credit Risk

The Group invests in debt & fixed income instruments issued by governments, government agencies and corporate counterparties. In addition, the Group also allocates limited investment to structured credit using securitised investments. The Group expects to receive incremental income through assuming credit rating downgrade risk, credit spread risk, and credit default risk. Credit risk appetite is controlled through the investment strategy and investment limits.

### Currency risk

The Group operates in a number of countries. Accordingly, its net assets are subject to foreign exchange rate movements. The Group's primary foreign currency exposures are to the Euro, Canadian dollar and US dollar. If the value of sterling strengthens, then the value of non-sterling net assets will decline when translated into sterling and consolidated.

The Group is exposed to currency risk in two ways:

- **Operational currency risk** – by holding investments and other assets and by underwriting liabilities in currencies other than the currency of the primary environment in which the business units operate (non-functional currencies).
- **Structural currency risk** – by investing in overseas subsidiaries and operating an international insurance group.

## C.2.4 Application of the prudent person principle

The Group applies an Investment Policy that sets out the requirements for the identification, measurement, monitoring and reporting of market risk, liquidity risk and credit risk arising from investments for the Group's investment portfolio. A set of key risk indicators in the form of an investment limits framework has been developed alongside the policy. The policy refers to this for investment risk management, liquidity risk management and reporting purposes.

In particular, the prudent person principle requires each operation and the Group to exercise prudence in relation to the investment portfolio and to ensure assets are appropriate to the nature and duration of its liabilities (assets and liabilities management). It must also be able to show that it has appropriate systems and controls to hold and manage any such investments.

The prudent person principle also requires a duty of care that must be applied for investments that are of a non-routine nature (i.e. allocation to private investments), or that are not admitted to trading on a regulated financial market or to complex products such as derivatives or securitised instruments. The Group follows a high credit quality, low risk investment strategy with limited exposure to higher volatility investment classes, such as public equities. Asset and liability duration is broadly matched, with limited flexibility for tactical asset management.

The Group's portfolio focus is on high quality debt & fixed income securities and cash, with measured exposure to private credit, public equities and property.

At 31 December 2025, the Group held 48% of its public debt & fixed income securities portfolio in:

- Government bonds and government guaranteed bonds
- AAA rated corporate or government agency bonds
- Treasury bills (T-bills)
- AAA rated money market funds
- Cash

Liquidity risk is therefore minimised, enabling cash to be available and transferred when required.

The credit quality of the public debt & fixed income securities portfolio for the Group is predominantly investment grade with circa 99% rated BBB- or higher.

## C.2.5 Material risk concentrations

The Group's investment portfolio consists predominantly of high quality, investment grade, public debt & fixed income securities, that is well-diversified by sector and geography, broadly reflecting the duration of its underlying insurance liabilities.

## C.2.6 Risk mitigation

The Group supports the liabilities for its general insurance business with a low risk, high credit quality investment portfolio with exposure concentrated in public debt & fixed income securities and cash. Surplus assets are invested in public debt & fixed income securities, structured credit, public equities, private credit and property. Credit risk exposure is mitigated by the high quality nature of the public debt & fixed income securities portfolio with circa 99% investment grade and circa 54% rated AA- or above. Counterparty concentration risk is limited through limits placed on single counterparties. The Group ensures that it maintains sufficient liquidity for its needs by having a minimum exposure to highly liquid assets such as cash, T-bills, money market funds rated AAA, corporate bonds rated AAA and government & government guaranteed bonds.

Interest rate risk is limited through the Group maintaining a strong match of its public debt & fixed income securities portfolio duration relative to its liabilities with exposures being monitored by the Capital Management Committee. The Group maintains a limit of its asset duration being within two years of benchmarks which are established to provide a broad match to liabilities. Exposures are monitored by the Investments management team on a monthly basis and reported to the AMC on a quarterly basis.

The Group also mitigates its exposure to currency risk through partial hedging of its surplus within its principal subsidiaries through a combination of foreign exchange forward and swap contracts.

The Group may use derivative financial instruments for the purpose of reducing its exposure to adverse fluctuations in interest rates, foreign exchange rates, public equity prices and long-term inflation. The Group does not use derivatives to leverage its exposure to markets and does not hold or issue derivative financial instruments for speculative purposes. The use of derivatives is governed by the Group Investment Policy.

The Group invests in assets that are not regularly traded such as direct property, real estate debt, infrastructure debt, structured products and corporate loans. The management of these assets is primarily outsourced to third party fund managers. The investments management team review the exposures on a regular basis. These investments are reviewed by the AMC to ensure they remain within the Group's risk appetite.

The Group has a targeted and well-diversified active investment management allocation to UK, European & North American public equities, primarily for the purpose of generating dividend income. The smaller allocation to North American public equities targets lower investment volatility to generate excess returns in the form of modest capital gains, with minimal exposure to overall equity market fluctuations (by taking long and short positions in individual stocks while maintaining an overall neutral position in each sector and the broader market).

The Group considers Economic, Social and Governance (ESG) factors in the management of its market and credit exposures. When reviewing or considering the appointment of investment managers, account is taken of their approach with respect to sustainable investing, including voting policies and engagement.

Climate change is not an issue isolated to the insurance industry – it's a societal one and we believe it is essential that everyone adapts to climate change. Corporations and governments should work together on building a low emissions and climate resilient economy.

The Group has adopted and implemented positions on Coal, Oil & Gas investments in line with those followed by the investment operations of its ultimate parent company. This involves active engagement with high emitting investees, focused on emissions disclosure, net zero ambitions and strategies, and climate governance.

Refer to the Risk Management System in Section B.3 for a description of how the Group manages and monitors market risk.

## C.2.7 Risk sensitivity

See Section C.7 for information on stress testing and sensitivity analysis for all categories of material risk.

# C.3 Credit risk

## C.3.1 Introduction

Credit risk is defined as the risk of loss resulting from a counterparty failing to fulfil its contractual obligations to the Group or failing to do so in a timely manner. The Group is exposed to credit risk in respect of its reinsurance contracts, insurance operations (where counterparties include brokers, policy holders and suppliers), and investments (where counterparties include government, government-sponsored and corporate counterparties).

## C.3.2 Measures used to assess risk

Credit risk arises any time Group funds are extended, committed, invested or otherwise exposed through actual and/or implied contractual agreements with counterparties whether reflected on or off-balance sheet.

The BRC is responsible for ensuring that the Board approved Group credit risk appetite is not exceeded. This is done through the setting and imposition of Group policies, procedures and limits.

In defining its appetite for counterparty credit risk, the Group looks at exposures at both an aggregate and business unit level distinguishing between credit risks incurred as a result of offsetting insurance risks or operating in the insurance market (e.g. reinsurance credit risk and risks to receiving premiums due from policyholders and intermediaries) and credit risks incurred for the purposes of generating a return (e.g. invested assets credit risk).

Limits are set at both a portfolio and counterparty level based on likelihood of default, derived from the rating of the counterparty, to ensure that the Group's overall credit profile and specific concentrations are managed and controlled within risk appetite.

Financial assets are graded according to company standards. Investment grade financial assets are classified within the range of AAA to BBB- ratings. AAA is the highest possible rating. For invested assets, restrictions are placed on each of the Group's investment managers as to the level of exposure to various rating categories. This includes limiting exposure to sub-investment grade (i.e. rated below BBB-) and unrated securities.

Local operations are responsible for assessing and monitoring the creditworthiness of their counterparties (e.g. policyholders, brokers, and third party suppliers). Exposure monitoring and reporting is embedded throughout the organisation with aggregate credit positions reported and monitored at Group level. Reinsurer counterparty credit risk is assessed and monitored at a Group level by the Intact Reinsurance Credit Committee.

The Group has continued to maintain a high quality investment portfolio and regularly monitors developments in the performance of its assets.

There have been no material changes to the measures used to assess risks during 2025.

## C.3.3 Material risks

The Group is mainly exposed to the following types of credit risk:

- **Counterparty risk** - defined to be the risk that a counterparty fails to fulfil its contractual obligations and/or fails to do so in a timely manner. This includes all types of counterparties such as agents, brokers, reinsurers and other third parties.
- **Credit concentration risk** - defined to be an uneven distribution of exposure to counterparties, single-name or related entity credit concentration, and/or in industry and/or services sectors and/or geographical regions.

- **Credit downgrade risk** - defined to be a loss from a downgrade in an investment's credit rating, resulting in a lower assigned credit rating and reduction in the price/value of the investment.
- **Credit spread risk** - defined as the widening between corporate and government bond yields of the same maturity, resulting in a decline in the corporate bond price.

Each business within the Group is required to establish appropriate processes in order to identify its outstanding debt and the ageing of that debt.

Each business within the Group is required to implement processes and procedures in order to collect its outstanding debt in a manner that is consistent with the credit terms provided.

In cases where collection is delayed or is not possible, each business is required to record a provision or write off the debt according to local and Group Financial Reporting Standards.

Within the Group, the management of credit risk is divided into three key areas, which are governed by separate policies:

- Reinsurance
- Investments
- Insurance Operations

The Group has continued to maintain a high quality investment portfolio and regularly monitors developments in the performance of its assets.

### C.3.3.1 Reinsurance credit risk management

Reinsurance credit risk is defined as the credit risk arising from the purchase of reinsurance at Group and at local level. This includes treaty reinsurance, facultative reinsurance and our Global Network.

### C.3.3.2 Invested assets credit risk, credit downgrade and credit spread risk

Invested asset credit risk arises in all debt & fixed income investments held by the Group.

Invested assets credit risk is defined as the non-performance of contractual payment obligations on invested assets, and adverse changes in credit worthiness of invested assets including exposures to issuers or counterparties for public debt & fixed income securities, private credit, cash on deposit and derivatives etc.

Credit downgrade risk and credit spread risk is as defined in Section C.3.3.

### C.3.3.3 Credit risk arising from insurance operations

Insurance operations credit risk is defined as credit risk arising from carrying out daily insurance business operations. This includes loss of principal or financial reward resulting from a counterparty's failure to pay or fulfil all or part of its contractual obligations. For example, if the Group trades with an insolvent broker there is a risk that the Group will not receive all the premiums due from that broker.

## C.3.4 Application of the prudent person principle

See Section C.2.4 for the application of the prudent person principle to credit risk arising from investments. The prudent person principle is not applicable to credit risk in relation to reinsurance and insurance operations.

## C.3.5 Material risk concentrations

The Group is exposed to the following types of risk concentrations:

- Reinsurance counterparties
- Investment counterparties
- On-balance sheet and off-balance sheet guarantees

### C.3.5.1 Reinsurance counterparties

The Intact Reinsurance Credit Committee oversees the management of credit risk arising from a reinsurer failing to settle its liability to the Group. The Group maintains a list of approved reinsurance counterparties. Other than in exceptional circumstances, the minimum Standard & Poor's (or comparable) credit rating to get onto the list is A-. Collateral is taken, where appropriate, to mitigate exposures to acceptable levels.

The Group's use of reinsurance is sufficiently diversified that it is not concentrated on a single reinsurer, or any single reinsurance contract. The Group monitors its aggregate exposures by reinsurer group; total exposure (as defined in the Reinsurance Risk Management Policy) is calculated as a percentage of Intact Financial Corporation's shareholders' equity; the maximum appetite for each Reinsurer is determined based on their financial credit rating, whereby stress tests are performed by reinsurance counterparty. In terms of recoverable asset, the Group's three largest active reinsurance groups are Berkshire Hathaway, Lloyd's of London Syndicates and Talanx (2024: Berkshire Hathaway, Lloyd's of London syndicates and Swiss Re). As at 31 December 2025, the total reinsurance asset recoverable from these groups does not exceed 4.7% of the Group's total financial assets, as reported in note 9.2 of the RSAIG 2025 consolidated financial statements.

### C.3.5.2. Investment credit risk

For material investment risks, see Section C.2.5.

## C.3.5.3 On-balance sheet and off-balance sheet guarantees

The following table summarises the investment-related collateral:

| As at 31 December | 2025<br>£m | 2024<br>£m |
|---|---|---|
| Collateral pledged | **1,426** | 1,425 |
| Collateral accepted | **377** | 244 |

The Group has pledged financial assets from its balance sheet as collateral for liabilities or potential liabilities, mainly consisting of public debt & fixed income securities and cash and cash equivalents. The terms and conditions of the collateral pledged are market standard and are in relation to letter of credit facilities, reinsurance arrangements, securities borrowing and derivative transactions.

The Group has accepted collateral mainly consisting of public debt & fixed income securities and cash and cash equivalents. The terms and conditions of the collateral accepted are market standard and are in relation to securities lending and derivative transactions. The collateral cannot be sold or re-pledged externally by the Group unless the counterparty defaults on its financial obligations. The obligation to repay the cash is recognised in Other liabilities and the corresponding receivable is recognised in Other assets.

Cash collateral accepted, on-balance sheet, is in relation to derivative transactions, with a value of £24m (31 December 2024: £19m).

Other collateral accepted, off-balance sheet, is mainly related to securities lending, had a fair value of £353m (31 December 2024: £225m). The related collateral accepted represents approximately 104% of the fair value of security loaned (31 December 2024: 104%).

# C.3.6 Risk mitigation

The Group employs the following mitigating techniques and monitoring procedures in order to manage the different types of Credit Risk.

### C.3.6.1 Reinsurance credit risk management

#### Mitigation techniques

- **Reinsurance Credit Committee** - The Committee is responsible for the oversight of the Group's reinsurance counterparty credit risk, managing exposures as described in Section C.3.5.1.
- **Approved Reinsurance Counterparties** - Group Reinsurance assess and approve all reinsurance counterparties. Group Reinsurance maintain information on all reinsurance counterparties used across the Group.
- **Approved Reinsurance Counterparties meet Corporate Standards** - Due diligence is performed, Group Reinsurance monitor and maintain the Approved Reinsurance Counterparties list as part of an ongoing risk assessment of reinsurance counterparties. Where a reinsurance counterparty credit risk metric is approached or breached, risk response actions must be affected and reported to the Intact Reinsurance Credit Committee.
- **Appropriate Metrics** - Group Reinsurance establish metrics which are appropriate for quantifying reinsurance counterparty credit risk across the Group.

**Business unit requirements:**

- **Contract initiation** - Before entering into an outward reinsurance contract a business must ensure that it has followed all the requirements of the Reinsurance Risk Management Policy.
- **Exposure approval** - Businesses must seek approval to protect reinsurance exposures with counterparties outside the approved reinsurance counterparty list prior to binding by following the appeals process.
- **Risk Mitigation techniques** - Where risk mitigation techniques, such as the acceptance of collateral are used, they should be well understood by the business and appropriate processes and procedures must be established to operate the mitigant. The use of off balance sheet guarantees or Letters of Credit are approved on an individual basis.

### Monitoring process

- **Credit Risk Profile** - Group Reinsurance review the reinsurance counterparty credit risk and monitor reinsurance counterparty exposure against maximum probable exposure limits.
- **Breaches** - Where a reinsurance counterparty credit risk metric is approached or breached, risk response actions are affected and reported to the Intact Reinsurance Credit Committee.
- **Ongoing information on counterparties** - Group Reinsurance must maintain information on all reinsurance counterparties used across the Group.

## C.3.6.2 Investment credit risk

### Mitigation techniques

See Section C.2.6.

### Monitoring process

- Investment exposure against investment limits delegated by the AMC and Group Investments are monitored by all operations, on at least a monthly basis.
- Separately, externally appointed fund managers, used by the operations, monitor and report compliance with investment guidelines stipulated within their Investment Management Agreements. These limits are set by the operations such that they are consistent with investment limits delegated to them by the AMC.
- In addition, the UK Investments management team reviews exposures against AMC investment limits for all operations, as well as the BRC limits for the Group, on a monthly basis and reports to the AMC.
- The Group credit rating methodology takes into account ratings from the major credit rating agencies as well as other risk analysis including that undertaken by external fund managers. The CRRC is responsible for reviewing material credit exposures as well as those that do not have any credit rating under the Group's standard rating methodology, where assignment of an internally approved rating may be appropriate.

## C.3.6.3 Insurance operations credit risk

### Mitigation techniques

- **Receivables Committee** - All businesses must have a Receivables Committee (or equivalent) with responsibility for identifying, assessing, maintaining, monitoring and reporting on insurance operations credit risk exposures.
- **Operational Debt Reporting** - The Business is expected to undertake monthly reporting and review of receivables debt in line with Finance requirements.
- **Credit Risk Assessments** - All new Broker/Intermediary Agency applications must include a financial credit check/ rating confirming that they meet the minimum credit rating score and rating.
- **Continuous Monitoring** – All Broker/Agencies must be subject to continuous credit risk monitoring and action taken where ratings are deemed high risk.
- **Credit terms are set for each counterparty** - Each business must set credit terms according to the nature and credit standing of each counterparty. These criteria and the acceptable credit terms are documented in the Group Insurance Operation Credit Risk policy.

- **Financial Guarantees** – In the event of letters of credit or guarantees being used as collateral, minimum requirements will apply.

### Monitoring process

All operations have to provide the following on a quarterly basis:

- Performance against set Key Risk & Key Performance Indicators.
- Breakdown of debtors including aged debt analysis (against prior year performance).
- Bad debt provision recommendations providing exposure and estimated recovery by counterparty classified into appropriate buckets, e.g. days past due.
- Material bad debt write offs.
- Credit risk rating scores by counterparty, counterparty groups or connected counterparties.

## C.3.7 Risk sensitivity

See Section C.7 for information on stress testing and sensitivity analysis for all categories of material risk.

# C.4 Liquidity risk

## C.4.1 Introduction

Liquidity risk refers to the risk of loss to the Group as a result of assets not being available in a form that can immediately be converted into cash or that conversion can only be achieved at excessive cost (whether through borrowing or overdraft arrangements for example), and therefore the consequence of not being able to pay its obligations when due.

## C.4.2 Measures used to assess risk

The Group breaks down liquidity risk into three subcategories:

- **Funding liquidity risk** - the risk that the business may suffer from any or all of the following: being unable to liquidate assets, secure funding or contingency funding arrangements, those arrangements contain excessive or prohibitive clauses, and the withdrawal or curtailment of funding facilities.
- **Foreign currency liquidity risk** - the risk that actual or potential future outflows in a particular currency are unable to be met from likely available inflows in that currency or purchased in the foreign exchange market.
- **Intra-day liquidity risk** - the risk that liquidity requirements increase during the course of a business day due to delays in settlement proceeds being received or problems in the workings of banking or other settlement systems.

Suitable monitoring processes are in place to assess all of the above including:

- Creation and maintenance of short-term cash flow forecasts, including by non-functional currency.
- Regular dialogue with the Group’s operational bankers in each territory.
- Use of a range of liquidity Key Performance Indicators to measure the proportion of assets and sources of liquidity that can be accessed within specified time periods, including overnight and 20 working days.

There have been no material changes to the measures used to assess risks during 2025.

## C.4.3 Material risks

The Group considers that there are currently no material liquidity risks.

There have been no other material changes to the material risks during 2025.

## C.4.4 Application of the prudent person principle

See Section C.2.4 for information on the prudent person principle.

## C.4.5 Material risk concentrations

The Group maintains a strong and liquid portfolio of cash and investment assets which are established by type and duration in order to provide a broad match against its liabilities. A minimum of 20% of Group investment portfolio can be liquidated within 20 days.

For more information see the liquidity risk table in note 9.3 of the RSAIG 2025 consolidated financial statements.

## C.4.6 Risk mitigation

The Group manages risk by operating a high quality, low risk investment strategy which matches a relatively short liability duration.

Each operation adheres to an Investment Policy (for entities outside the UK, at least 20% of investment assets are to be held in cash, cash instruments, unencumbered AAA rated bonds and appropriate domestic government bonds) that ensures that adequate liquid resources are maintained at all times such that liabilities can be met as they fall due.

The Company produces a regular cash flow forecast to manage working capital requirements.

UK Treasury maintains a contingency funding plan that considers access to a range of funding options and sources under normal and stressed scenarios.

## C.4.7 Risk sensitivity

See Section C.7 for information on stress testing and sensitivity analysis for all categories of material risk.

The Group does not currently consider liquidity risk as a material risk. This is reviewed on a regular basis.

Notwithstanding this, a range of liquidity stress tests are carried out on a quarterly basis for all material insurance operations.

# C.5 Operational risk

## C.5.1 Introduction

Operational risk covers the risks of direct or indirect losses resulting from human factors, external events, and inadequate or failed internal processes and systems. Operational risks are inherent in the Group's operations and are typical of any large enterprise.

## C.5.2 Measures used to assess risk

Operational risk exists in almost every aspect of business within the Group, and the effective management of operational risk plays a significant role in enabling the business to meet its objectives and to deliver good customer outcomes.

The Risk Management and Internal Control Policy set out the requirements to identify, assess, manage, monitor and report risk. The Risk Management System sets out the Group's approach to minimising and/or preventing risk.

To support the identification and reporting of risks, the Group uses a Risk Taxonomy that is mutually exclusive and collectively exhaustive. The Risk Taxonomy for operational risk includes the following sub-categories:

- Internal Fraud
- External Fraud
- People
- Business Disruption
- Systems
- Information
- Physical Security and Safety
- Third Party
- Legal and Compliance
- Project and Change
- Business Process Deficiencies

The business is responsible for identifying and capturing risks in a central Governance, Risk and Compliance (GRC) tool, Decision Focus. Several sources may be used to support risk identification. These include:

- Internal and external insights
- Stress and scenario testing
- Risk incidents
- Risk appetite and key risk indicators
- Control testing
- Emerging risk assessments

Once risks have been identified the business must assess inherent, residual and target risk exposure:

- Residual Risk Exposure – Exposure based upon an analysis of the effectiveness of the controls in place at a point in time.
- Target Risk Exposure – Assumes that all the desired controls are in place and operating effectively.

Risks are assessed using a likelihood and impact scale to drive an overall risk intensity view. The likelihood scale is based on a 12-month time horizon. The impact scale considers financial, regulatory, operational, and customer matters.

The outputs of the risk assessment process and risk responses (i.e. action plans) are reviewed and challenged by the risk functions and at appropriate Risk Committees.

On an annual basis, the Operational Risk Capital (ORC) scenario assessments are compared to the operational risks included on the UK&I enterprise current (and emerging) risk profiles to check for consistency and completeness of both the risks assessed and the assessments themselves.

## C.5.3 Material risks

The material risks that the Group is exposed to are as follows:

| Key risks and exposures | Key mitigants and controls |
|---|---|
| **Operational Risk** | |
| ***Operational risk***<br>This is the risk of direct or indirect losses resulting from human factors, external events, and inadequate or failed internal processes and systems. Operational risks are inherent in the Group's operations and are typical of any large enterprise. Examples include systems risk, people risk, information risk e.g. cyber security, operational resilience, projects and change, legal and compliance and third-party risk. | • Operational risk and resilience processes and procedures are in place, including incident management.<br>• Continued improvement to our operational resilience and third-party oversight capabilities, supported by simulation exercises which test the adequacy of our approach.<br>• Control effectiveness is monitored through control testing and assurance activities.<br>• System (including legacy technology) and information (including information security) risks remain a key focus, and we have made significant progress with risk reduction over the year. |
| ***Customer risk***<br>This is the risk that customers do not receive good outcomes and suffer harm because of products and services that are not fit-for purpose, offer poor value, are poorly explained or inadequately supported. | • The Intact UK Operating Committee oversees key matters and decisions relating to good customer outcomes, reviewed and challenged at the Customer Committee, which is reported to the Board periodically.<br>• Adherence to key frameworks, such as product governance and delegated oversight, is monitored and subject to control testing and assurance activities.<br>• Successful delivery of key regulatory requirements in a timely manner. |

## C.5.4 Application of the prudent person principle

The prudent person principle is not applicable to operational risk.

## C.5.5 Material risk concentrations

Whilst there are many inter-dependencies between operational risks there are no material risk concentrations, in part a consequence of the regional businesses operating independently of each other.

## C.5.6 Risk mitigation

The operational risk management strategy is achieved through expectations set out in the following documents and the oversight of the implementation:

- Risk Management and Internal Controls Policy
- Risk Appetite Procedure
- Governance Policy Management Procedure
- Risk Management Procedure
- Control Standards and Testing Approach
- Operational Incident Management Procedure

The Risk Management and Internal Controls Policy is supported by a number of procedures and several regional policies that set out principles and expected controls. The effective operation of the controls, control testing and assurance outlined in policies helps to ensure that the Group operates within risk appetite.

For risks that are outside of target risk exposure, a risk mitigation response is required. The following two risk responses (treatments) are acceptable:

- **Risk mitigation** - taking action to reduce the potential impact or likelihood of a risk to target risk exposure, through the enhancement of existing controls or the design and implementation of new controls.
- **Risk monitoring** - where a risk is mitigated to target risk exposure or further risk mitigation is not possible, and no further action will be taken. The risk will be monitored to ensure sustained performance at this level of risk exposure.

Risk response action plans are reviewed and challenged at Functional Risk Committees. Action plans must include an action owner and due date(s).

In functional risk and control committees (or equivalent), the members will:

- Consider the impact of internal and external factors on risk identification (new risks) and risk exposure (existing risks).
- Review key risk indicators that breach operating target or exceed tolerance to assess whether risk response is sufficient and appropriate.
- Consider the impact of control findings/issues and assurance reports on risk exposure.
- Assess risk incident trends (including operational losses and near misses) to identify any further actions needed.
- Monitor the status of action plans to identify risks to delivery and/or respond to issues.
- Consider the impact of any emerging risk reviews, scenario tests or other deep dives on risk identification and risk exposure.

### C.5.7 Risk sensitivity

See Section C.7 for information on stress testing and sensitivity analysis for all categories of material risk.

# C.6 Other material risks

Not applicable.

# C.7 Any other information

### C.7.1 Stress and scenario testing

The Group conducts stress and scenario testing on a quarterly basis, informed by the emerging risk assessments throughout the year and the annual ORSA, which assesses material risks to the business. The exercise is run by the Risk Function, with support from the wider business (Line 1). During 2025, a range of stress tests and scenario analysis across Insurance, Finance and Operational risks were performed to evaluate the potential impact on SCR. Specific stress tests including Thames Barrier Failure, European Windstorm and war zone scenario on our Accidents & Health portfolio were conducted in response to changes in the external risk environment. Deep dives on geo-political tensions/conflicts and US tariffs were conducted to evaluate the impacts posed by the current economic outlook. These tests confirmed that in such events the Group's capital buffers have remained adequate under such scenarios.

Further scenario analyses were performed to understand the impact of a combination of Insurance and Market risks to support appropriate refresh of recovery, solvent exit and recovery plans.

In addition to the stress and scenario testing, reverse stress tests were undertaken to assess the potential impact of reinsurer default on the Group's capital position and evaluate the Group's resilience under a set of adverse conditions. The reverse stress test supported the recovery planning and the going concern considerations for the Group.

Furthermore, the Group performs sensitivity analysis on its material risks to evaluate the impact of the economic and non-economic volatile conditions on the Group's solvency and liquidity positions. Sensitivity testing is used to assess the responsiveness of key parameters and provides assurance on the appropriateness of the overall SCR.

## C.7.2 Climate risk

We do not classify climate risk as a distinct risk category. Instead, we recognise it as an amplifying factor that can increase the severity or likelihood of our existing risk exposures.

The Group remains committed to embedding climate risk management in its governance, risk and management frameworks. The Group plays an important role in supporting the energy transition through industry collaboration, reducing our operations emissions, providing products and services that support low-greenhouse gas energy generation, and aligning our underwriting activities with IFC Group Climate Strategy.

The Group's stress tests are designed to help the business understand the potential financial consequences of complex risk events, including climate change-related extreme weather events, where impacts can be broad and far-reaching with a range of outcomes. Weather related stress tests cover litigation risk, susceptibility of clients to key weather events and impact under greenhouse gas (GHG) emission scenarios. The insights from stress tests inform our underwriting and pricing strategy.

The Group continues to strengthen its climate change risk management capabilities through various analyses completed during 2025. Insights from the analysis broadened the Group's understanding of its exposure to various industries and associated climate change risk, allowing for geographical spread of exposure. An IFC Group wide climate change scenario analysis improved the Group's view of climate risk by assessing exposure to physical climate change based on current insurance exposures under climate change scenarios of low and high GHG emission warming paths as prescribed by the Intergovernmental Panel on Climate Change (IPCC).

Physical Climate change risk remains the most significant climate change risk for the Group due to increasing frequency and severity of natural catastrophes and is a material part of the Group's risk profile. There are extensive reinsurance arrangements in place to manage and mitigate this risk. The Group monitors locations of its exposures and potential for accumulation in regions susceptible to weather events, enabling pricing of risks accordingly.

RSAIG and the UK insurance entities integrate climate risk considerations into the risk appetite framework, underwriting and operating plan strategies. The Group has a proven ability to manage climate risks in our operations and continues to take actions to protect our business and our customers. Risk management strategies are in place to mitigate climate risk, aiming to reduce financial impact while identifying and capturing potential opportunities.

The Group's risk and operational teams regularly review the emerging risk landscape, which includes existing and emerging regulatory requirements related to climate change and ESG. Climate risk is then managed through our operational policies and standards, categorising mitigation into pricing and selection, including product innovation, monitoring supply chains, claims and investments.

The Group remains committed to reducing GHG emissions and accelerating the transition to a low GHG and climate resilient future. Our net zero 2050 commitment applies across our business and is in alignment with the relevant principles of the Paris Agreement.

# D. Valuation for Solvency Purposes

## In this section



This section sets out the basis of preparation and assumptions used in the valuation under SUK of the assets, technical provisions and other liabilities of the Group for each material class.

SUK requires assets and liabilities to be valued on a basis that reflects their fair value (economic valuation) with the exception that liabilities should not be adjusted to take account of changes in an insurer's own credit standing. Fair value reflects the amount that the Group would receive if an asset was sold or would have to pay to settle a liability in an arm's length transaction between knowledgeable and willing parties.

The valuation of assets and liabilities for SUK begins with IFRS values (which has an equivalent definition of fair value) and adjusts for specific differences between SUK and IFRS. Where there are such differences between the SUK and IFRS bases of valuation, these are described in Sections D.1 – D.4. For assets and liabilities where valuation is carried out on the same basis under IFRS and SUK, a description of the basis of preparation can be found in the accounting policies section and notes to the RSAIG 2025 consolidated financial statements.

Section D is subject to external audit, with the exception of the text and figures relating to Risk Margin. These are excluded from the scope of external audit as they are derived from the internal model used to calculate the Group's SCR which is also unaudited. See Appendix 6 for further details of the scope of the external audit.

This section applies to the Group. Refer to Appendices 2, 3 and 4 for information regarding the subsidiaries.

## Group SUK balance sheet

The table below summarises the SUK and the IFRS valuation of assets and liabilities, based on the SUK balance sheet headings and the SUK approach to classifying assets and liabilities. An explanation of the SUK valuation methods and assumptions, including key differences to those used under IFRS, is provided in the subsequent sections.

| | Financial statements note | Financial statements value £m | Solvency UK value £m | Variance £m | SFCR section |
|---|---|---|---|---|---|
| Goodwill and intangible assets | 13 | 791 | - | (791) | D.1.1.1, D.1.1.2 |
| Deferred tax assets | 24 | 279 | 279 | - | D.1.1.4 |
| Pension benefit surplus | 26 | 54 | 54 | - | D.1.1.5 |
| Property, plant & equipment held for own use | 14 | 112 | 103 | (9) | D.1.1.6 |
| Investments (other than assets held for index-linked and unit-linked contracts) | | 6,243 | 6,393 | 150 | |
| *Property (other than for own use)* | 6 | 379 | 379 | - | D.1.1.7 |
| *Holdings in related undertakings, including participations* | | - | 41 | 41 | D.1.1.8 |
| *Equities* | 6 | 551 | 510 | (41) | D.1.1.9 |
| *Bonds* | 6 | 5,274 | 4,916 | (358) | D.1.1.9 |
| *Collective Investments Undertakings* | | - | 452 | 452 | D.1.1.9 |
| *Derivatives* | 7 | 39 | 39 | - | D.1.1.9 |
| *Deposits other than cash equivalents* | | - | 56 | 56 | D.1.1.9 |
| Loans and mortgages | 6 | 253 | 249 | (4) | D.1.1.9 |
| Reinsurance recoverables | 10 | 1,231 | 1,002 | (229) | D.1.1.9 |
| Insurance and intermediaries receivables | | - | 129 | 129 | D.1.1.9 |
| Reinsurance receivables | | - | 47 | 47 | D.1.1.9 |
| Receivables (trade, not insurance) | | 65 | 55 | (10) | D.1.1.9 |
| Cash and cash equivalents | 6 | 142 | 54 | (88) | D.1.1.9 |
| Any other assets, not elsewhere shown | | 113 | 16 | (97) | D.3.1.1 |
| **Total assets** | | 9,283 | 8,381 | (902) | |
| Technical provisions | 10 | 5,927 | 5,624 | (303) | D.2 |
| Contingent liabilities | | - | 7 | 7 | D.3.1.2 |
| Provisions other than technical provisions | 15 | 24 | 24 | - | D.3.1.3 |
| Pension benefit obligations | 26 | 3 | 3 | - | D.1.1.5 |
| Deferred tax liabilities | 24 | 1 | - | (1) | D.1.1.4 |
| Derivatives | 7 | 16 | 16 | - | D.1.1.9 |
| Insurance & intermediaries payables | | - | 149 | 149 | D.3.1.1 |
| Reinsurance payables | | - | 27 | 27 | D.3.1.1 |
| Payables (trade, not insurance) | | 272 | 325 | 53 | D.3.1.1, D.3.3 |
| Subordinated liabilities | 16 | 6 | 8 | 2 | D.3.1.1 |
| Any other liabilities, not elsewhere shown | | 165 | 233 | 68 | D.3.1.1 |
| **Total liabilities** | | 6,414 | 6,416 | 2 | |
| **Excess of assets over liabilities** | | 2,869 | 1,965 | (904) | |

# Method of consolidation

## Method

The accounting consolidation method (Method 1), as defined by Rules 11.1A-11.1C of the Group Supervision Part of the PRA Rulebook applicable to SUK firms, has been adopted in preparation of the Group SUK balance sheet.

The key differences between the SUK and IFRS consolidation approaches are:

- Investments in participations that are non-controlled insurance or reinsurance companies are consolidated using the adjusted equity method, after elimination of intra-group transactions. The valuation of the investment is calculated as the appropriate share of that participation's excess of assets over liabilities, using SUK valuation rules. The value of the investment is included in the “participations” line in the SUK balance sheet.

- Participations that are neither insurance or reinsurance companies nor insurance holding companies, are also valued using the adjusted equity method after elimination of intra-group transactions. If that is not possible, the equity method under IFRS (with any goodwill and inadmissible intangible assets valued at £nil) is adopted. This applies irrespective of whether the participation is in a net assets or net liability position.

All material transactions between entities in the scope of the Group (as per reporting template IR.32.01.22 in Appendix 8) have been eliminated on Group consolidation.

## Scope

There are no material differences between the scope of the Group for SUK purposes and that for accounting purposes.

# D.1 Assets

## D.1.1 Valuation of assets

The assets of the Group are valued in accordance with the Valuation Part of the PRA Rulebook applicable to SUK firms.

This section describes, for each material class of assets:

- The bases, methods and main assumptions used in valuing those assets for SUK purposes.
- Where relevant, details of estimation techniques, risks and uncertainties relating to those valuations.
- An explanation of any material differences in SUK valuations compared to IFRS.

There were no changes made to the recognition and valuation bases used, or to estimation approaches during the period.

### D.1.1.1 Goodwill

Goodwill is valued at £nil under SUK. Goodwill reported under IFRS is therefore eliminated in the SUK balance sheet.

### D.1.1.2 Intangible assets

Under SUK, intangible assets are ascribed a value only where they can be sold separately and there are demonstrable quoted prices in an active market for the same or similar assets. Where this is the case, the asset is valued in accordance with the SUK valuation hierarchy.

The Group's IFRS intangible assets are deemed not capable of being sold separately and do not have quoted prices on an active market (nor do such prices exist for similar assets). Intangible assets are therefore valued at £nil in the SUK balance sheet.

### D.1.1.3 Deferred acquisition costs

Deferred acquisition costs are not a recognised concept in the IFRS balance sheet and any deferred cost comprising the direct and indirect costs of obtaining and processing new insurance business is included within the valuation of the IFRS Insurance contracts assets/liabilities. In the Group's and UK solo entities' IFRS balance sheets, deferred acquisition costs are deducted from the Liability for Remaining Coverage (LFRC) provision. Any balances relating to deferred acquisition costs are fully eliminated in the SUK balance sheet and acquisition costs not incurred by the reporting date are included in the calculation of technical provisions.

### D.1.1.4 Deferred tax assets and liabilities

The valuation method for deferred tax balances is the same under IFRS and SUK. Deferred tax is provided in full using the International Accounting Standard (IAS) 12 liability method on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts on the SUK balance sheet. IFRS to SUK valuation adjustments are therefore considered in assessing the temporary differences upon which the deferred taxes are derived.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the related deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which unused tax losses and temporary differences can be utilised.

See Section D.1.2 for more information on deferred tax.

### D.1.1.5 Pension benefit surplus and deficits

There are no valuation differences between IFRS and SUK for pension benefit surplus and deficits. Pension schemes are recognised and valued on the balance sheet in the same way under both IFRS and SUK, as the requirements of IAS 19 are considered to be consistent with those of SUK.

**Estimation techniques, risks and uncertainties**

Independent actuaries calculate the value of the defined benefit obligations for the larger schemes by applying the projected unit credit method. The future expected cash outflows (calculated based on assumptions that include inflation and mortality) are discounted to present value, using a discount rate determined at the end of each reporting period by reference to current market yields on high quality corporate bonds (AA rated) identified to match the currency and estimated term of the obligations.

The actuarial valuation involves making assumptions about discount rates, future salary increases, future inflation, the employees' age upon termination and retirement, mortality rates, future pension increases and disability incidence.

If actual experience differs from the assumptions used, the expected obligation could increase or decrease in future years. Due to the complexity of the valuation and its long-term nature, the defined benefit obligation is highly sensitive to changes in the assumptions. Assumptions are reviewed at each reporting date. As such, the IAS 19 valuation of the liability is highly sensitive to changes in bond rates. However, fluctuations in the liabilities are now largely offset by equal and offsetting impacts on the fair value of plan assets following the pension buy-ins. Further details regarding the pension buy-ins can be found in note 26 of the RSAIG consolidated financial statements for the year ended 31 December 2025.

### D.1.1.6 Property, plant and equipment

Property, plant and equipment is included in the SUK balance sheet at fair value, and comprises:

- Group occupied land and buildings
- Fixtures, fittings and equipment (including computer hardware)

Under IFRS reporting, Group occupied land and buildings are stated at fair value (calculated on a vacant possession basis by third party valuers; see Section D.1.1.7 for further details), and therefore no adjustment is made on the SUK balance sheet. For all other property and equipment, including lease assets recognised under IFRS 16, IFRS values (depreciated or amortised cost) are assumed to approximate fair value, except in specific instances where an adjustment is deemed necessary.

### D.1.1.7 Property other than for own use

There are no valuation differences between IFRS and SUK in relation to investment property (comprising freehold and leasehold land and buildings), as these assets are recorded at fair value for IFRS and SUK.

**Estimation techniques, risks and uncertainties**

Investment property valuations are carried out in accordance with the latest edition of the Valuation Standards published by the Royal Institution of Chartered Surveyors (RICS) and are undertaken by independent RICS registered valuers. Valuations are based on the comparative method with reference to sales of other comparable buildings and take into account the nature, location and condition of the specific property together with factoring in the occupational lease terms and tenant covenant strength as appropriate. The valuations also include an income approach using discounted future cash flows, which uses unobservable inputs, such as discount rates, rental values, rental growth rates, vacancy rates and void or rent-free periods expected after the end of each lease.

## D.1.1.8 Participations and related undertakings (subsidiaries, associates and joint ventures)

A “participation” is an SUK term for a holding (direct or indirect) of at least 20% of the voting rights or capital of another undertaking, or where significant influence is effectively exercised over that undertaking, and therefore represents IFRS subsidiaries, associates and joint ventures.

### Group balance sheet

In the Group balance sheet, the method of consolidation and valuation of participations is dependent on the type of entity and level of influence. See Section D. ‘Method of Consolidation’ for further details.

The “Holdings in related undertakings, including participations” balance held on the Group’s balance sheet represents the Group’s investments in associates, as well as participations that are not insurance companies. Under IFRS the accounting basis for this item is cost. Goodwill and intangible assets of participations that are not insurance companies are valued at £nil under SUK.

### Solo entity balance sheets

This section applies to balance sheets prepared by the solo entities, included in Appendices 2, 3 and 4.

Investments in directly owned subsidiaries and associates are accounted for at cost under IFRS.

For SUK, investments in participations that are insurance companies and that do not have quoted market prices are valued using the adjusted equity method (calculated as the appropriate share of that participation's excess of assets over liabilities, using SUK valuation rules). The balance sheet of that participation is adjusted to SUK rules before the share of net assets in the investment is valued.

If the participation is not an insurance, or reinsurance, company, the same method is adopted. If this is not possible, the IFRS equity method (with any goodwill and inadmissible intangible assets valued at £nil) is adopted instead. This applies irrespective of whether the participation is in a net asset or net liability position.

## D.1.1.9 Financial assets

Financial assets are valued at fair value for SUK. The methods and assumptions used by the Group in estimating the fair value of financial assets are shown below and except where specifically stated, there are no valuation differences between IFRS and SUK.

- Equity securities: fair values are based upon quoted market prices where available, or according to the three-level fair value hierarchy (see note 8 of the RSAIG 2025 consolidated financial statements for further details). Differences between IFRS and SUK classification criteria lie behind the presentational variances between the IFRS and SUK balance sheet.

- Bonds: fair values are based upon quoted market prices. Where market prices are not readily available, fair values are estimated using either values obtained from quoted market prices of comparable securities or estimated by discounting expected future cash flows using a current market rate applicable to the yield, credit quality and maturity of the investment (see note 8 of the RSAIG 2025 consolidated financial statements for further details). Differences between IFRS and SUK classification criteria lie behind the presentational variances between the IFRS and SUK balance sheet, with accrued interest being reclassified from other debtors to the relevant instrument under SUK.

- Collective investment schemes: quoted market prices are used where available. Where this is not possible, funds are valued using data from third party administrators or, in the case of loan funds, fund manager data. All funds are reviewed regularly for signs of underlying impairment. As such, it is considered that all IFRS values approximate to fair values, and no valuation adjustments are made under SUK. Differences between IFRS and SUK classification criteria lie behind the presentational variances between the IFRS and SUK balance sheet.

- Derivatives: fair value is determined on a market basis by reference to underlying interest rate, foreign exchange rate, equity or commodity instruments or indices.

- Cash and deposits, and loans and mortgages: Cash and cash equivalents are classified differently between IFRS and SUK. Under IFRS an investment is classified as a cash and cash equivalent when it has a short-term maturity of three months or less from the date of acquisition whereas under SUK it is only classified as such when it is available on demand. Money market funds and deposits less than 90 days are classified as cash and cash equivalents under IFRS; however, they are classified as collective investments undertakings and deposits other than cash equivalents respectively for SUK. Accrued interest is reclassified from Other assets to Investments. IFRS carrying amounts approximate to fair values, with the exception of direct loans. With respect to direct loans, the IFRS carrying amount equates to amortised cost. For SUK reporting, the valuation is the fair value calculated by the Fund Manager.

- Insurance and Reinsurance receivables: Premium debtors and recoveries falling due for payment after the balance sheet date are included within Insurance contract assets and liabilities under IFRS, and for these no change in presentation is required; however balances which are due at the balance sheet date are presented in the relevant SUK balance sheet line items; amounts outside contract boundaries are removed entirely. See Section D.2 for more details.

- Receivables trade not insurance: For SUK valuation purposes, trade receivables are valued consistently with IFRS. Differences between IFRS and SUK classification criteria lie behind the presentational variances between the IFRS and SUK balance sheet.

- Any other assets not elsewhere shown; Includes accrued income, tax recoverable and prepayments. Prepaid expenses that are considered to have no future economic value are valued at £nil under SUK.

### Reinsurance recoverables

The sub-categories in the SUK balance sheet of reinsurers' share of technical provisions mirror those of the gross balances and the same mapping of SUK lines of business are used. See Section D.2 for more details.

## D.1.2 Analysis of deferred tax

An analysis of deferred tax on a SUK basis is detailed below:

| | Asset £m | Liability £m |
|---|---|---|
| Deferred tax position at 31 December | **279** | **-** |

The following table sets out the deferred tax assets and liabilities recognised by the Group, split by main categories:

| | £m |
|---|---|
| Net unrealised losses on investments | **22** |
| Tax losses and unused tax credits | **58** |
| Other deferred tax reliefs | **91** |
| Technical provisions and deferred acquisition costs | **(15)** |
| Retirement benefit obligations | **25** |
| Capital allowances | **73** |
| General provisions, leases and other temporary differences | **25** |
| Net deferred tax position at 31 December | **279** |

**Tax rates**

The table below provides a summary of the current tax and deferred tax rates for the year in respect of the largest jurisdictions in which the Group operates.

| | Current tax 2025 | Deferred tax 2025 |
|---|---|---|
| UK | **25.0%** | **25.0%** |
| Ireland | **12.5%** | **12.5%** |

**Deferred tax asset recognition**

Deferred tax assets (DTA) have been recognised on the basis that management consider it probable that future taxable profits will be available against which these deferred tax assets can be utilised. Key assumptions in the forecast are subject to sensitivity testing which, together with additional modelling and analysis, support management's judgement that the carrying value of deferred tax assets continues to be supportable. The recognition approach is consistent with that applied at 31 December 2024.

The majority of the deferred tax asset recognised based on future profits is in respect of the UK. The evidence for the future taxable profits is a five-year forecast based on the three-year operational plans prepared by the relevant businesses and a further two years of extrapolation, which are subject to internal review and challenge, including by the Board.

An additional £22m of deferred tax assets was recognised during the period due to an increase in forecast taxable profits; £20m of which was in the UK with the balance in Ireland (£2m). The recognition of UK deferred tax assets was of previously unrecognised tax losses and therefore the recognition was in the consolidated income statement and in OCI in the proportion in which the losses had arisen (45%:55%). Note, however, that the UK DTA increase from forecast profits was substantially offset by a reduction in DTA on FVTOCI of £16m and various other movements in specific DTA assets as shown in the deferred tax note shown further below.

The UK forecast profits for DTA purposes are prudent and therefore assume no UK premium growth and no overseas premium growth post year 3 in the projection. The base forecasts also incorporate a number of contingencies noted below (31 December 2024: specific £35m per annum). The increase in recognised UK DTA due to future profits was based on a stressed scenario which included a scaling back in growth forecasts, a decline in return of investment income of 50 basis points, and a number of other prudent expense assumptions.

The value of the deferred tax asset is sensitive to assumptions in respect of forecast profits. Further stress and scenario tests are also run over the level of DTA supported by UK forecast profits to assess their impact on the recognised DTA. The impact is summarised below. These sensitivities are run on the base case scenario, and their impact is already included in the scenario selected for DTA recognition. The relationship between the UK deferred tax asset and the sensitivities below is not always linear. Therefore, the cumulative impact on the deferred tax asset of combined sensitivities or longer extrapolations based on the table below will be indicative only.

| As at 31 December | Change in Assumption | £m |
|---|---|---|
| Change in COR[1] across all 5 years | 1% increase | (22) |
| | 1% decrease | 21 |
| Forecast modelling period | 1 year reduction | (60) |
| Change in bond yields | 50 basis points decrease | (9) |
| | 50 basis points increase | 9 |

[1] Combined operating ratio (COR) is a measure of underwriting performance and is the ratio of underwriting costs expressed in relation to earned premiums.

Tax assets and liabilities are recognised based on tax rates that have been enacted or substantively enacted at the balance sheet date.

**Unrecognised tax assets**

At the end of the reporting period, the Group had the following unrecognised tax assets:

| | Gross amount £m | Tax effect £m |
|---|---|---|
| Trading tax losses | 2,038 | 481 |
| Capital tax losses | 1,284 | 321 |
| Deductible temporary differences | 672 | 168 |
| Unrecognised tax assets as at 31 December | 3,994 | 970 |

The Group's unrecognised trading losses are located in the UK, Ireland, France and Luxembourg and represent losses which are not expected to be utilised within the 5 year forecast profit period. The Group's unrecognised deductible temporary differences are predominantly located in the UK. Unrecognised capital losses mainly relate to the UK (£1,284m), with the remainder in Ireland, and have not been recognised as it is not considered probable that they will be utilised in the future as most UK and Ireland capital gains are exempt from tax**.** £1m (31 December 2024: £3m) of the gross trading tax losses are attributable to Luxembourg and will expire in 2036. Following the relocation of the Luxembourg head office to France on 1 January 2026, the losses in Luxembourg are unlikely to be utilised.

In addition to the IFRS position, no deferred tax has been recognised in respect of £398m of gross SUK adjustments as there are insufficient forecast taxable future profits against which to utilise the deductible temporary differences.

**Procedure**

The procedure for providing SUK deferred tax figures for RSAIG utilises a walkthrough bridge from the figures reported on an IFRS basis in RSAIG's Report & Accounts. A tax analysis of valuation adjustments made to the statutory accounts balances is performed in arriving at the SUK balance sheet. Where these valuation adjustments give rise to a new temporary difference under IAS 12, the recognition of a deferred tax asset or liability is considered in accordance with IFRS principles and SUK guidance, including an assessment of the availability of future profits in the case of a deferred tax asset.

## D.1.3 Group and subsidiary valuation differences

There are no material differences between the bases, methods and main assumptions used at Group level for the valuation for SUK purposes of the Group's assets and those used by any of its subsidiaries for the valuation of its assets.

# D.2 Technical provisions

## D.2.1 Valuation and comparison of IFRS to SUK

Technical provisions are valued using the methods and assumptions described in Section D.2.2.

The main similarities between SUK technical provisions and the IFRS equivalent are:

- Inclusion of an allowance for Events Not In Data (ENIDs) in SUK and IFRS, covering estimates of low frequency but potentially high severity binary events that are not captured in historical data sets.
- All technical provision cash flows are discounted under SUK as well as IFRS. However, there still exists a difference in the yield curve used. SUK uses PRA yield curves, while the yield curve under IFRS is determined by the Company. The same cash flow patterns are used for both SUK and IFRS reporting.
- An allowance for reinsurer default is allowed for under both IFRS and SUK.

The main differences between SUK technical provisions and the IFRS equivalent are:

- The Risk Margin under SUK is defined differently from the Risk Adjustment under IFRS. The Risk Margin covers the cost of holding capital until runoff whilst the risk adjustment allows for uncertainty in the internal model reserve volatility around the reserve best estimate.
- SUK technical provisions include future premium balances that are not yet due as at the valuation date but are covered within the contract boundary. In contrast, IFRS provisions also include premium debtor/creditor balances which are due as at the valuation date.
- IFRS provisions include claims creditor/debtor balances, which aren’t included in the SUK technical provisions.
- Allowance for Bound but Not Incepted business (BBNI) is made under SUK. This allows for increased exposure on contracts that have not yet incepted and hence are not reflected within IFRS provisions, but are bound as at the date of valuation.

The following table quantifies the differences between the SUK net technical provisions and the equivalent IFRS provisions for each material SUK line of business. The table is followed by notes explaining how the different valuation approaches set out above contribute to the differences observed for each line of business.

| | | SUK Net Technical Provisions | | | |
|---|---|---|---|---|---|
| | | Best Estimate | Risk Margin | Statutory Accounts Value | Difference |
| | | £m | £m | £m | £m |
| Direct business and accepted proportional reinsurance | Motor Vehicle Liability | **1,300** | **56** | **1,408** | **(52)** |
| | Other Motor | **177** | **4** | **197** | **(16)** |
| | Marine, Aviation and Transport | **190** | **6** | **191** | **5** |
| | Fire and Other Damage to Property | **1,328** | **38** | **1,336** | **30** |
| | General Liability | **1,266** | **58** | **1,355** | **(31)** |
| Other Non-Life Direct and Accepted Non-Proportional Reinsurance Lines | | **52** | **2** | **66** | **(12)** |
| Life & Health Insurance Lines (including Annuities Stemming from Non-Life) | | **124** | **21** | **143** | **2** |
| **TOTAL** | | **4,437** | **185** | **4,696** | **(74)** |

**Notes**

(1) Allowance for future premium within SUK Technical Provisions is a difference impacting multiple lines of business. These are Motor Vehicle Liability, Other Motor, General Liability, Marine Aviation & Transport, and Fire & Other Damage to Property.

(2) Expected profit within LFRC is deferred under IFRS until it is earned, while the expected loss is recognised as onerous provisions. However, on a SUK basis, this expected profit or loss is recognised up front when the contract is bound.

(3) Discounting is used throughout SUK and IFRS with different methodology used to calculate the discount rate. Even with the volatility adjustment the SUK discount rates tend to be lower than those used for IFRS.

## D.2.2 Basis of preparation of technical provisions

Under SUK, the technical provisions are made up of:

*Claims provision + Premium provision + Risk margin*

The claims provision is the discounted best estimate of all future cash flows (claim payments, expenses and future premiums due) relating to claim events prior to the valuation date.

The premium provision is the discounted best estimate of all future cash flows (claim payments, expenses and future premiums due) relating to future exposure arising from policies that the Group has written, or bound but not incepted, at the valuation date.

The risk margin is calculated as the cost of capital required to hold future SCRs over the life of the technical provisions as they run off.

The valuation of the best estimate for claims provisions and for premium provisions are carried out separately. Claims and premium provisions are calculated both gross of outwards reinsurance and for outwards reinsurance. The risk margin is only calculated net of outwards reinsurance.

## D.2.2.1 Bases, methods and assumptions used for valuation

The claims provision comprises the estimated cost of claims incurred but not paid at the end of the reporting period. The provisions are calculated by valuing future cash flows including claims payments, related expenses, salvage and subrogation recoveries and expected reinsurance recoveries. The provision is determined using the best information available of claims settlement patterns, future inflation and estimated claims settlement amounts.

The premium provision comprises estimated cost of future claims and associated expenses for unearned but bound business on a best estimate basis, offset by the future premiums. The cash flows also include profit commissions and the costs of policy administration. These also include business that has not yet incepted but is bound under the contract (BBNI), for which we set assumptions on both gross and net basis.

Future cash flows for both claims and premium provisions include an allowance for ENIDs.

All expenses that would be incurred in running-off the existing business, including a share of the relevant overhead expenses are taken into account. This share is assessed on the basis that the Group continues to write new business. The expense provision includes items such as investment expenses that are not provided for under the IFRS basis.

Future claims cash flows are generally determined by considering how past claims payments have materialised, with separate explicit cash flows determined for gross of reinsurance and net of reinsurance. The provisions for claims relating to annuities arising from general insurance business in the UK are also determined using recognised actuarial methods.

Cash flows are discounted for the time value of money using yield curves prescribed by the PRA.

The risk margin is calculated by determining the present value of the cost of holding the SCR necessary to support the Group's insurance obligations over their lifetime. This approach is intended to reflect the costs incurred by a notional (re)insurer, the Reference Undertaking, of holding the capital to accept a transfer of liabilities.

**Inflation and PPO Assumptions**

Inflationary trends and judgements are a key consideration in our reserving process for all classes, particularly so for long-tailed liability lines where actuarial methods depend on these judgements for longer periods. We allow for claims inflation through a structured and multi-faceted approach which involves all key functions to ensure consistency throughout the business. Our Inflation Committee regularly monitors analysis of internal experience and external indicators to inform our inflation assumptions. The analysis is augmented by consideration of wider contextual information, such as supply chain agreements or invoice trends in claims tender activity.

Technical Analytics work to identify granular drivers of inflationary trend provides further insight to help refine assumptions where relevant and help ensure significant aspects are captured well in the judgements made. Our reserve review process uses the inflation assumptions set by our Inflation Committee, applying at a level that balances homogeneity of trend with volume credibility, underpinned by rigorous assessment of our own experience and loss development factors which increasingly already allow for higher inflationary trends as experience in more recent years gains increased recognition in our modelling base periods.

Inflation assumptions in 2025 have been broadly similar to those from 2024 at overall level, with some variation in experience between different segments and classes of business. We believe that increased economic and geopolitical uncertainty are among the key drivers of the persistent nature of inflation trends, and we expect these forces to sustain the trend in the near term before any potential reversion. These areas are among those monitored carefully by our Inflation Committee and throughout our business as the environment evolves.

To manage uncertainty and build resilience into our reserve estimates amid inflation volatility, we strike a balance between leveraging recent experience—where trends are sufficiently credible—and relying on a robust a priori on-level trended view when data is still maturing. Inflation remains a key trending factor in our on-levelling process, which informs the derivation of our Initial Expected Loss Ratios (IELRs). We phase the transition from IELR-based techniques to development-based methods depending on the maturity of experience and our assessment of prevailing uncertainty. Given the complex nature of inflation—shaped by recent trends, legislative reforms, and broader economic and geopolitical influences—it plays a central role in our method selection. To address the uncertainty surrounding these factors, we conduct sensitivity testing to evaluate the extent of protection our selected assumptions and methodologies offer against inflationary pressures under various uplift scenarios.

In addition, we assess the characteristics of certain liabilities to determine whether they warrant specific treatment outside the standard process. A key example is our PPOs, which are extremely long-tail in nature and demonstrate properties similar to life insurance risks. For these, we adopt a significantly longer time horizon compared to other liabilities, thereby modelling these on an individual claimant basis. We set assumptions for future longevity of the claimants, based on latest mortality rates and inputs from the team managing complex claims, adjusting these for any impairment due to injury. These liabilities are based on real discount rate, derived from our inflation assumptions and the corresponding nominal discount rates. The primary index relevant to PPOs is the Annual Survey of Hours and Earnings Index (ASHE). Based on historical analysis and our long-term outlook, we select an appropriate future ASHE inflation assumption to reflect the resulting real discount rate.

### D.2.2.2 Significant simplified methods

For the risk margin, the future SCRs of the Reference Undertaking are estimated by considering the remaining claims at each future valuation date. As claims run off, a higher proportion of long tail, e.g. liability, claims remain which require a proportionally higher level of capital to support them. The method used reflects the proportionally increasing levels of capital required in the future.

## D.2.3 Uncertainties and contingencies

There is an inherent uncertainty in estimating claims provisions at the end of the reporting period for the eventual outcome of outstanding notified claims as well as estimating the number and value of claims that are still to be notified. In particular, the estimation of the provisions for the ultimate costs of claims for bodily injury is subject to a range of uncertainties that is generally greater than those encountered for other classes of business due to the slow emergence and longer settlement period for these claims.

Other uncertainties include the possibility of future legislative changes having retrospective effect on open claims; changes in claims handling and settlement procedures potentially leading to future claims payment patterns differing from historical experience; the possibility of new types of claim, such as disease claims, emerging from business written several years ago; general uncertainty in the claims environment; the emergence of latent exposures such as asbestos; the outcome of litigation on claims received; failure to recover reinsurance and unanticipated changes in claims inflation.

There is uncertainty in the future economic environment, and changes such as ongoing inflationary pressure could have an impact on claims costs. The inflationary pressure, combined with the post pandemic and geopolitical distortions over the same period causing settlement and supply chain delays, complicates assessment of the ultimate claims cost. Different factors are contributing to severity changes such as settlement delays and supply chain issues which are likely to have been impacted by Covid-19 and war, increasing social and claims inflation, and evolving geopolitical uncertainty including the impact of tariffs. Inflation increases in 2021-25 were the largest in a generation and impact elements of the claims cost in different ways. For some claim types, it will take time before the full impact of increased inflation becomes apparent, particularly for the long tail liability classes, whilst for short tail property and damage the impact is now mostly contained within our data. In the meantime, our estimates require increased reliance on our assumptions compared to the previous stable claims inflation environment. While allowance has been made for the increase in expected liabilities because of these, there is an uncertainty that the actual experience is significantly different from expected. This is a key uncertainty that is monitored by the RSAIG Reserving Committee with sensitivity testing to monitor, assess and understand potential impacts should the risks manifest. Additionally, large losses which are inherently volatile and therefore difficult to estimate introduce further uncertainty within our technical provision estimates.

Climate change, cyber risks and increasing use of AI are other major emerging risk factors that can have adverse impact on reserves. Increasing frequency of weather events and geopolitical uncertainties are further adding to the uncertainties and pushing up the claims cost. The Group is closely monitoring these, allowing for such events as ENIDS or where relevant within our base actuarial indications with regular review of the actuarial assumptions. We are actively taking measures to control the impact of these loss events.

In March 2023, the Group announced the exit of UK Personal Motor and in December 2023 the sale of the remaining UK direct Personal Lines operations to Admiral Group plc and the exits of its UK Home and Pet partner and broker contracts. In totality these complete the Group’s exit from the UK Personal Lines market. In September 2023, the Group announced the acquisition of DLG’s brokered Commercial Lines business. Following these exits and acquisitions, UK Personal Lines exposure continued to decline during 2025 while DLG exposure increased, and our Specialty Lines portfolio also continued to grow. These shifts in exposure have introduced increased uncertainty due to the resulting changes in the overall risk mix.

Furthermore, softening of the markets, particularly during the latter half of 2025, introduce additional volatility in our technical provision estimates as our initial loss ratio assumptions are influenced by the resultant impact of softer market periods on items such as rate and policy terms and conditions.

These uncertainties also impact the assumed future loss ratios which then brings in an increased uncertainty in the premium provisions as ultimate claims costs need to be estimated for future events. The ultimate level of future claims costs is partially mitigated by reinsurance.

## D.2.4 Use of adjustments and transitionals

In valuing the Group’s technical provisions, none of the following were applied during the year:

- The Matching Adjustment as defined in the PRA Rulebook.
- The transitional risk-free interest rate-term structure referred to in Section 10 of the Transitional Measures Part of the PRA Rulebook applicable to SUK firms.
- The transitional deduction referred to in Section 11 of the Transitional Measures Part of the PRA Rulebook applicable to SUK firms.

In March 2020, Intact UK, RSA Re and MIC each received approval from the PRA to apply the Volatility Adjustment, as defined in the PRA Rulebook, to the calculation of technical provisions, with effect from 31 March 2020. In May 2021, these entities re-applied for the Volatility Adjustment, along with the Group, after the takeover by IFC and received approval for the same. For quantification of the impact of the Volatility Adjustment on the Group’s technical provisions and capital position, see reporting template IR.22.01, included in Appendix 8.

## D.2.5 Recoverables from reinsurance contracts and SPVs

The Group enters into reinsurance contracts, mostly excess of loss protection for individual risks or from claims following catastrophe events. The Group also reinsures some business on a quota share basis, and in recent prior years has purchased aggregate reinsurance cover and a significant adverse development cover to provide some protection on 2020 and prior accident years. At any balance sheet date the Group will expect to recover under some of these reinsurance contracts. See Section C.1.6 (Risk Mitigation) for further details of the Group’s reinsurance contracts and the Group SUK Balance Sheet (Section D) for the reinsurance recoverable amounts.

## D.2.6 Changes in assumptions

The Group routinely adjusts the assumptions underlying the calculation of technical provisions in light of emerging risks or trends in the data and any other relevant information. Whilst some assumptions have a material impact on our reported estimates of technical provisions, many of the assumptions only have a minor impact. The main changes in assumptions during 2025 were: reacting to evolving economic, weather and geopolitical uncertainty; updating our inflation trends; updating our a priori initial loss ratio assumptions given changes in market conditions; allowing for changes in our mix of claims as our business mix evolves; updating our large loss assumptions following heightened experience in some segments, and allowing for development as per the latest experience following weather events across the UK, Europe and North America. There were no other material changes to assumptions in 2025.

## D.2.7 Group and subsidiary valuation differences

Aside from business scope and perimeter, there are no material differences between the technical provisions held for the Group and those held for the equivalent liabilities in its subsidiaries.

# D.3 Other liabilities

## D.3.1 Valuation of other liabilities

The liabilities of the Group are valued in accordance with the Valuation Part of the PRA Rulebook applicable to SUK firms.

This section describes, for each material class of liabilities (other than technical provisions):

- The bases, methods and main assumptions used in valuing those liabilities for SUK purposes.
- Where relevant, details of estimation techniques, risks and uncertainties relating to these valuations.
- An explanation of any material differences in SUK valuations compared to IFRS.

Recognition and valuation bases used or estimation approaches have been applied consistently during the period.

### D.3.1.1 Financial liabilities

Financial liabilities are valued at amortised cost under IFRS and fair value for SUK balance sheet valuation purposes. The methods and assumptions used by the Group in estimating the fair value of financial liabilities are shown below and except where specifically stated, there are no valuation differences between IFRS and SUK.

The methods and assumptions used by the Group in estimating the fair value of financial liabilities are:

- Debts owed to credit institutions and senior and subordinated debt: fair values are determined by reference to recent market transactions or other observable market inputs.
- For borrowings that carry a variable rate of interest carrying values approximate to fair values and therefore there is no difference between the valuation under IFRS and SUK.
- Other liabilities and accruals: carrying amounts approximate to fair values as they are short term liabilities and therefore there is no difference between the valuation under IFRS and SUK.
- Insurance and Reinsurance Payables: Premium creditors falling due for payment after the balance sheet date are included within Insurance contract assets and liabilities under IFRS, and for these no change in presentation is required; however balances which are due at the balance sheet date are presented in the relevant SUK balance sheet line items; amounts outside contract boundaries are removed entirely. See Section D.2 for more details.
- Reinsurance payables: In addition to the above, as per the principle of correspondence, the only insurance business to be recognised as ceded is bound business, i.e. business recognised within gross technical provisions. Reinsurance payables are adjusted for amounts that do not meet this criterion, unless the cost is sunk, in which case it must be recognised in full.
- Payables (trade, not insurance): For SUK valuation purposes, trade payables are valued consistently with IFRS. Differences between IFRS and SUK classification criteria lie behind the presentational variances between the IFRS and SUK balance sheet.
- Any other liabilities, not elsewhere shown: For SUK valuation purposes, any other liabilities are valued consistently with IFRS. Accruals which do not form part of technical provisions are reclassified to accruals on the SUK balance sheet.

  A breakdown of any other liabilities, not elsewhere shown as at 31 December 2025 is shown below

| | Financial Statements | SUK | Variance |
|---|---|---|---|
| | £m | £m | £m |
| Accrued Expenditure | 160 | 228 | 68 |
| Other | 5 | 5 | - |
| Any other liabilities, not elsewhere shown | 165 | 233 | 68 |

Upon subsequent measurement of financial liabilities, any changes in own credit risk are not reflected in fair value.

**Estimation techniques, risks and uncertainties**

The fair value measurement of the Group's subordinated debts is based on pricing obtained from a range of financial intermediaries. Their valuations are based on recent transactions of these instruments and other observable market inputs such as applicable risk-free rate and appropriate credit risk spreads.

### D.3.1.2 Contingent liabilities

Material contingent liabilities (those where information about the current or potential size or nature of those liabilities could influence decision making or judgement) are recorded on the SUK balance sheet and are valued at the expected present value of future cash flows to settle the obligation liability over the lifetime of that contingent liability, using the relevant risk-free interest rate-term structure.

This applies to non-insurance risks only, as insurance risks are captured by the best estimate component of technical provisions.

Contingent liabilities acquired in a business combination are valued on a basis consistent with that used for IFRS reporting.

For further information in relation to contingent liabilities, see note 30.2 of the RSAIG 2025 consolidated financial statements.

### D.3.1.3 Provisions other than technical provisions

There are no differences between the IFRS and SUK balance sheets for provisions, other than technical provisions, as such provisions are valued in the same way under both IFRS and SUK.

## D.3.2 Liabilities for employee benefits including defined benefit plan assets

### Defined benefit pension schemes and other post-retirement benefits

The major defined benefit pension schemes are located in the UK. The assets of these schemes are mainly held in separate trustee administered funds. The UK defined benefit schemes were effectively closed to new entrants in 2002 and subsequently closed to future accruals with effect from 31 March 2017. UK schemes in surplus have been reduced for the 25% tax cost of an authorised return of surplus, classified as ‘Other net surplus remeasurements’. The Group’s opinion is that the authorised refund tax charge is not an income tax within the meaning of IAS 12 and so the surplus is recognised net of this tax charge rather than the tax charge being included within deferred taxation.

The Group also operates a defined benefits plan in Ireland.

The value of all scheme assets and all scheme obligations are as follows:

| | UK £m | Other £m | Total £m |
|---|---|---|---|
| Defined benefit obligation (funded) | (4,792) | (60) | (4,852) |
| Present value of unfunded obligations | (3) | - | (3) |
| Fair value of plan assets | 4,842 | 76 | 4,918 |
| | 47 | 16 | 63 |
| Other net surplus remeasurements | (12) | - | (12) |
| **Net DB Asset** | 35 | 16 | 51 |
| Plans in a surplus position | 38 | 16 | 54 |
| Plans in a deficit position and unfunded plans | (3) | - | (3) |
| **Pension assets** | 35 | 16 | 51 |

| **Fair value of plan assets** | Quoted | Unquoted | Total £m |
|---|---|---|---|
| Cash and cash equivalents | 35 | - | 35 |
| Government debt securities | 44 | - | 44 |
| Non-government debt securities | 13 | - | 13 |
| **Debt securities** | 57 | - | 57 |
| Equity securities | 12 | - | 12 |
| Annuity buy-in insurance contracts | - | 4,816 | 4,816 |
| Derivative financial instruments | - | (9) | (9) |
| Investment property | 1 | - | 1 |
| Other (including infrastructure and growth alternatives) | 1 | 5 | 6 |
| **Total Investments** | 106 | 4,812 | 4,918 |
| **Total net plan assets** | 106 | 4,812 | 4,918 |

On 27 February 2023, the Group announced that the Trustees of its two major UK DB pension plans (the schemes) entered into an agreement with Pension Insurance Corporation (PIC), a specialist insurer of DB pension plans, to purchase annuity buy-in insurance contracts (the buy-ins), as part of their de-risking strategy. The buy-ins transferred the remaining economic and demographic risks associated with the plans to PIC and removed the volatility in relation to the plans from the Group’s consolidated balance sheet.

The main risks retained by the Group are the counterparty risk to PIC, residual risk related to benefits provided by the plans, such as changes in legal interpretation, and adjustments stemming from ongoing data cleansing activities.

Based on the data cleansing activities and testing completed to date, no significant adjustment relative to the size of the DB obligations is expected. However, until the exercise is concluded, the possibility of further adjustments remains. As at 31 December 2025, the estimated premium adjustment was a receivable of £30m from PIC to the UK plans (2024: £22m payment to PIC from the UK plans).

The Group has monitored developments regarding a Court of Appeal ruling in 2024, upholding a High Court decision, which ruled that certain past amendments to a scheme contracted out of the state second pension were invalid, due to the lack of an appropriate actuarial confirmation under the Pension Schemes Act 1993. The Group also notes that legislation is currently being drafted that will allow trustees to retrospectively obtain appropriate actuarial confirmation. The Group continues to monitor the evolving position but believes the plans were appropriately administered, that the plans' liabilities are materially correct and has determined that the most material amendments made to the plans were carried out appropriately.

## D.3.3 Lease liabilities

See Section A.4.2 for information on leases.

For lease liabilities recognised under IFRS 16, IFRS values are assumed to approximate fair value, except in specific instances where an adjustment is deemed necessary.

## D.3.4 Group and subsidiary valuation differences

There is no material difference between the bases, methods and main assumptions used at Group level and those used by any of its subsidiaries for the valuation for solvency purposes of liabilities other than technical provisions.

# D.4 Alternative methods for valuation

Assets and liabilities valued using alternative valuation methods, in accordance with Rule 6(5) of the Valuation Part of the PRA Rulebook applicable to SUK firms, include property and certain debt and equity private fund structures for which fair value measurements are derived from valuation techniques that include significant inputs that are not based on observable market data (unobservable inputs).

Property valuations are carried out in accordance with the latest edition of the Valuation Standards published by RICS and are undertaken by independent RICS registered valuers. Valuations are based on the comparative method with reference to sales of other comparable buildings and take into account the nature, location and condition of the specific property, together with factoring in the occupational lease terms and tenant covenant strength as appropriate. The valuations also include an income approach using discounted future cash flows, which uses unobservable inputs such as discount rates, rental values, vacancy rates and void or rent-free period expected after the end of each lease.

Debt and equity private funds are principally valued at the proportion of the Group’s holding of the Net Asset Value (NAV) reported by the investment vehicle. Several procedures are employed to assess the reasonableness of the NAV reported by the fund, including obtaining and reviewing periodic and audited financial statements and estimating fair value based on a discounted cash flow model that adds spreads for credit and illiquidity to a risk-free discount rate.

There is no material difference between the bases, methods and assumptions used when valuing these instruments for SUK purposes and those used for IFRS reporting. See section D.1 and D.3 for description of the valuation techniques used and how they are assessed.

See note 8 of the RSAIG 2025 consolidated financial statements for further details of the valuation methods, uncertainties and assumptions used when valuing such instruments.

# D.5 Any other information

Nothing to report.

# E. Capital Management

## In this section



Section E is subject to external audit, with the exception of any text or figures which are, or derive from, the internally modelled SCR. See Appendix 6 for further details of the scope of the external audit.

This section applies to the Group. Refer to Appendices 2, 3 and 4 for information regarding the subsidiaries.

# E.1 Own funds

## E.1.1 Objectives, policies, processes and material changes

### Capital Management - policies and processes for managing own funds

The primary objective of the Capital Management function is to ensure that the Group has sufficient capital to meet its obligations, which is fundamental to maintaining customer and stakeholder confidence. This is achieved by optimising the balance between return and risk, whilst maintaining economic and regulatory capital in accordance with risk appetite.

The Capital Management function's role and responsibility is to govern, monitor and oversee capital resources across the Group ensuring that these are within the risk appetite of the Group and meet appropriate regulatory/accounting rules and guidelines. This includes the calculation, estimation and forecasting of capital resources and capital requirements such as SUK available and eligible own funds.

The Group manages capital and solvency through an overarching governance framework including methodology validation, monitoring and reporting processes. Within this framework, the Group manages its capital using a number of different capital models taking into account economic, regulatory, and rating agency constraints.

### Business planning

The Group operates a three-year time horizon for business planning. Plans are reviewed and debated at executive level and approved by the Board.

### Material changes over the reporting period

On 17 June 2025, an interim ordinary dividend of £160m was paid by the Group to 2283485 Alberta Limited.

In October 2025, the Group redeemed its remaining fixed rate Tier 2 dated guaranteed subordinated bonds. The Tier 2 notes were redeemed in full at their principal amount together with accrued and unpaid interest up to (but excluding) the first call date on 10 October 2025. The redemption was self-funded using existing surplus capital in the Group, and resulted in a c.10% reduction in SUK SCR coverage, however improved the quality of capital in the Group.

The reconciliation reserve has increased in value over the year, predominantly driven by positive capital generation, partially offset by the interim ordinary dividend paid in June.

### E.1.1.1 Method used for calculating Group Solvency

The Group adopts the accounting consolidation method (Method 1) to calculate Group Solvency.

IR.25.04 (unaudited) in Appendix 8 summarises the Group SCR by risk type, as derived using Method 1.

## E.1.2 Structure, amount and quality of own funds

### Classification and eligibility of capital

The Group's own funds are classified per SUK requirements as follows:

| Solvency UK Tier | Capital Item |
|---|---|
| Tier 1 | • Paid in ordinary share capital, and the related share premium<br>• Reconciliation reserve |
| Tier 2 | • Subordinated liabilities that qualify as Tier 2 under Rule 4.2 of the Transitional Measures Part of the PRA Rulebook applicable to SUK firms[1]<br>• Unpaid and uncalled ordinary share capital callable on demand (ancillary own fund items) as defined in Rule 3I of the Own Funds Part of the PRA Rulebook applicable to SUK firms. |
| Tier 3 | • Net deferred tax assets |

*1 The Group redeemed its remaining £120m dated guaranteed subordinated liabilities on the first call date of 10 October 2025.*

Subordinated liabilities classified as Lower Tier 2 for Solvency I purposes satisfy the provisions of 2.2.159 R to 2.2.181 R of GENPRU and are classified as Tier 2 under Solvency UK in accordance with Rule 4.2 of the Transitional Measures Part of the PRA Rulebook applicable to SUK firms.

Tier 1 own funds include the SUK reconciliation reserve, the key elements of which are as follows:

- Excess of assets over liabilities as presented in the SUK balance sheet.
- A deduction for amounts already included in basic own funds, including ordinary share capital and share premium account.

For further information please refer to note 17 of the RSAIG consolidated financial statements for the year ended 31 December 2025.

Further information in relation to the derivation of the Group's consolidated own funds is provided in Section D. Method of Consolidation.

## Capital composition

The Group's capital structure by tier as at 31 December 2025 is as per the table below.

| | | **2025** **£m** | 2024 £m |
|---|---|---|---|
| Tier 1 Unrestricted | Equity capital (including Share Premium) | 1,563 | 1,563 |
| | Reconciliation reserve | 75 | 29 |
| | | **1,638** | **1,592** |
| Tier 2 | Ancillary own funds item | 250 | 250 |
| | 2014 debt instrument | - | 120 |
| | | **250** | **370** |
| Tier 3 | Net deferred tax assets | 280 | 275 |
| | **Total Available Own Funds** | **2,168** | **2,237** |

### Analysis of own funds

For an explanation of key changes in the reconciliation reserve, refer to Section E.1.1.

The Group redeemed its remaining £120m dated guaranteed subordinated liabilities on the first call date of 10 October 2025.

## E.1.3 Eligible own funds to cover the SCR

### Basic own funds to eligible own funds

SUK requires that basic own funds are first considered against availability rules, and then subjected to eligibility criteria based on both the SCR and capital structure. Eligible own funds are considered available to cover the SCR. A basic own funds to eligible own funds reconciliation for the Group is shown below:

| | Basic Own Funds £m | Ancillary Own Funds £m | Availability restrictions £m | Available Own Funds £m | Eligibility restrictions £m | Eligible Own Funds £m | Eligibility Capacity £m | Eligibility rule |
|---|---|---|---|---|---|---|---|---|
| Tier 1 | **1,638** | **-** | **-** | **1,638** | **-** | **1,638** | | |
| Tier 2 | **-** | **250** | **-** | **250** | **-** | **250** | **619** | **Tier 2 + Tier 3 up to 50% of SCR** |
| Tier 3 | **280** | **-** | **-** | **280** | **(94)** | **186** | | |
| **Total** | **1,918** | **250** | **-** | **2,168** | **(94)** | **2,074** | | |
| | | | | | **SCR** | **1,239** | | |
| | | | | | **Surplus** | **835** | | |
| | | | | | **SCR Coverage** | **167%** | | |

### Total available own funds to meet the SCR

There are no availability restrictions made in deriving the Group's Available Own Funds.

### Total eligible own funds to meet the SCR

Rule 4A of the Own Funds Part of the PRA Rulebook applicable to SUK firms requires that limits are imposed upon the eligible amounts of Restricted Tier 1, Tier 2 and Tier 3 capital, according to the calculation of the SCR:

- Eligible Tier 1 items shall be at least 50% of the SCR
- Eligible Tier 3 items shall be less than 15% of the SCR
- The sum of eligible Tier 2 and eligible Tier 3 items shall be no more than 50% of the SCR

## E.1.4 Eligible own funds to cover the MSCR

SUK requires that basic own funds are first considered against availability rules, and then subjected to eligibility criteria based on both the MSCR and capital structure. Eligible own funds are considered available to cover the MSCR. A basic own funds to eligible own funds reconciliation for the Group is shown below:

| | Basic Own Funds £m | Ancillary Own Funds £m | Availability restrictions £m | Available Own Funds £m | Eligibility restrictions £m | Eligible Own Funds £m | Eligibility Capacity £m | Eligibility rule |
|---|---|---|---|---|---|---|---|---|
| Tier 1 | **1,638** | **-** | **-** | **1,638** | **-** | **1,638** | | |
| Tier 2 | **-** | **250** | **(250)** | **-** | **-** | **-** | **124** | **Tier 2 up to 20% of MSCR** |
| Tier 3 | **280** | **-** | **(280)** | **-** | **-** | **-** | | |
| **Total** | **1,918** | **250** | **(530)** | **1,638** | **-** | **1,638** | | |
| | | | | | **MSCR** | **622** | | |
| | | | | | **Surplus** | **1,016** | | |
| | | | | | **MSCR Coverage** | **263%** | | |

Refer to E.2.11 for further information.

### Total available own funds to meet the MSCR

Tier 2 ancillary own fund items are not deemed available to cover the MSCR/MCR.

Tier 3 items are not deemed available to cover the MSCR/MCR.

### Total eligible own funds to meet the MSCR

Rule 4A of the Own Funds Part of the PRA Rulebook applicable to SUK firms requires that limits are imposed upon the eligible amounts of Restricted Tier 1, Tier 2 and Tier 3 capital, according to the calculation of the MSCR and solo entity MCR:

- Eligible Tier 1 items shall be at least 80% of the MSCR/MCR
- Eligible Tier 2 items shall be no more than 20% of the MSCR/MCR

## E.1.5 Differences between equity and net assets

Section D includes details of the adjustments made to IFRS capital in deriving SUK excess of assets over liabilities. The table below shows the calculation of SUK available own funds:

| | £m |
|---|---|
| Excess of assets over liabilities (see Section D) | **1,965** |
| Own shares (held directly and indirectly) | **-** |
| Foreseeable dividends, distributions and charges | **-** |
| Other non-available own funds items | **(47)** |
| **SUK Basic Own Funds** | **1,918** |
| Ancillary Own Funds item | **250** |
| **SUK Own Funds (including AOF)** | **2,168** |

### Foreseeable dividends, distributions and charges

No other deductions are made in arriving at Group basic own funds.

### Other non-available own funds items

IAS 19 pension surpluses in excess of their scheme's marginal share of the SCR are also deducted from the reconciliation reserve and included in "Other non-available own funds" in the IR.23.01 (refer to Appendix 8), the excluded amount being £47m.

## E.1.6 Transitional arrangements

Following the redemption of its remaining £120m dated guaranteed subordinated liabilities on the first call date of 10 October 2025, the Group holds no instruments subject to transitional arrangements.

## E.1.7 Ancillary own funds

In May 2023 the PRA reapproved the ancillary own funds (AOF) item for Intact UK with effect from 8 July 2023 for a period of three years. The item comprises £250m of nil-paid uncalled share capital. The AOF counts as Tier 2 capital in the Group's solvency calculations, subject to eligibility rules, however, it does not count towards covering the Group MSCR.

Two other AOF items exist within the Group.

- In March 2025, an AOF structure was reapproved for Intact Ireland by the Central Bank of Ireland (CBI) permitting a maximum of €90m of nil-paid uncalled share capital for a period of three years. The AOF counts as Tier 2 capital in Intact Ireland's Solo solvency calculations only, subject to eligibility rules, however, it does not count towards covering the latter entity's MCR. The AOF item is not considered for Group solvency purposes. The AOF item is unaudited.

- During 2018, an additional AOF structure was approved for Intact Europe by the Commissariat aux Assurances (CAA) permitting a maximum of €35m of nil-paid uncalled share capital. The AOF counts as Tier 2 capital in Intact Europe's Solo solvency calculations only, subject to eligibility rules, however, it does not count towards covering the latter entity's

MCR. With effect from 1 January 2026, the €35m AOF item was approved for use by the Autorité de contrôle prudentiel et de resolution (ACPR) as part of the relocation of Intact Europe's head office from Luxembourg to France. The AOF item is not considered for Group solvency purposes. The AOF item is unaudited.

## E.1.8 Deductions and restrictions

See Sections E.1.3 and E.1.4 for a description of the nature and amount of restrictions on own funds.

## E.1.9 Group fungibility and transferability

### Availability of Group capital to meet SUK Group SCR

Under SUK, as part of their assessment of group solvency, groups must make an assessment of whether any of their entities are reliant upon capital held in another entity to cover their capital requirements. Where this is the case, it must assess whether the capital in the other entity could in practice be made available.

Other than the restrictions described in Sections E.1.3 and E.1.4, the Group deems its capital to be fully fungible and there to be no restriction at a Group level.

In such circumstances where capital is needed from a subsidiary to support a legal entity elsewhere in the Group, it will be repatriated in the form of dividends and where this is not practicable, a sale of the subsidiary will be considered.

## E.1.10 Deferred tax

For details on the availability and eligibility of deferred tax assets, see Sections D.1.2, E.1.3, and E.1.4,

# E.2 Solvency capital requirement and minimum Group consolidated capital requirement

## E.2.1 SCR and MSCR

As at 31 December 2025 the Group's SCR was £1,239m and the MSCR was £622m.

## E.2.2 SCR split by risk

An analysis of the internal model SCRs of the Group and the UK regulated entities by risk category is provided in reporting template IR.25.04 in Appendix 8.

## E.2.3 Standard formula simplifications

Standard formula simplifications are not applicable as an internal model is used.

## E.2.4 Standard formula undertaking specific parameters

Standard formula undertaking specific parameters are not applicable as an internal model is used.

## E.2.5 Capital add-on and undertaking specific parameters non-disclosure

No capital add-ons were in place during the reporting period. Undertaking specific parameters are not applicable as an internal model is used.

## E.2.6 Capital add-on and undertaking specific parameters impact

No capital add-ons were in place during the reporting period. Undertaking specific parameters are not applicable as an internal model is used.

## E.2.7 MSCR calculation inputs

See Section E.2.10 for the composition of this measure.

## E.2.8 Consolidated Group SCR constituents

The accounting consolidation method (Method 1) has been chosen by the Group. As such, group supervision applies at the Group holding company level and no subgroup level reporting is required.

Described in the table below are the insurance and reinsurance undertakings within the Group that are included in the calculation of Group Solvency:

| | **SCR (Including Op Risk) £m** |
|---|---|
| Fully consolidated insurance or reinsurance undertakings (incl. third country insurance undertakings, insurance holding companies, mixed financial holding companies and ancillary services undertakings) | **1,239** |
| Fully consolidated special purpose vehicles | - |
| Proportionally consolidated insurance or reinsurance undertakings (incl. third country insurance undertakings, insurance holding companies, mixed financial holding companies and ancillary services undertakings) | - |
| Other subsidiaries (not listed above) consolidated on an adjusted equity basis | - |
| Credit institutions, investment firms and financial institutions, alternative investment fund managers, UCITS management companies, institutions for occupational retirement provision, non-regulated entities carrying out financial activities | - |
| All other related undertakings (not listed above) | - |
| **Total** | **1,239** |

## E.2.9 Group diversification effects

All of the risks above are derived from the simulations making up the SCR calculation. However, in any simulation, there may be good or bad outcomes from each individual risk. Thus, when the confidence level for each risk is taken separately and then totalled, the result is a higher value than the SCR. The measured difference is the inherent diversification between modelled risks.

Quantitative information on diversification benefit at the 2025 year end as calculated by the internal model is available in reporting template IR.25.04 in Appendix 8. It is important to note that the quantification of diversification within the model depends critically upon the choice of risk category and the level of granularity required.

## E.2.10 Minimum consolidated Group SCR

The calculation of the solo MCRs for the MSCR is shown in the table below:

| | Linear MCR pre-corridor | Corridor - 25% | Corridor - 45% | MCR (per MSCR) |
|---|---|---|---|---|
| | £m | £m | £m | £m |
| Intact Insurance UK Limited (United Kingdom) | **697** | **310** | **558** | **558** |
| Intact Insurance Ireland DAC (Republic of Ireland) | **25** | **25** | **45** | **25** |
| The Marine Insurance Company Limited (United Kingdom) | **-** | **2** | **3** | **3** |
| Royal & Sun Alliance Reinsurance Limited (United Kingdom) | **-** | **5** | **8** | **5** |
| Intact Insurance (Europe) SA (Grand Duchy of Luxembourg) | **19** | **19** | **34** | **19** |
| Intact Insurance Channel Islands Limited (Guernsey) | **8** | **n/a** | **n/a** | **8** |
| Intact Insurance Isle of Man Limited (Isle of Man) | **4** | **n/a** | **n/a** | **4** |
| **MSCR** | | | | **622** |

## E.2.11 Undertakings in scope of the internal model

Information on all undertakings in the scope of the Group internal model SCR is included in reporting template IR.32.01.22 in Appendix 8.

## E.2.12 Loss absorbing capacity of deferred tax

The Group does not make an adjustment for the loss-absorbing capacity of deferred taxes.

# E.3 Differences between the standard formula and any Internal Model used

## E.3.1 Internal Model purposes

The Internal Model outputs provide the capital information used in the calculations of the Pillar I SCR, internal Pillar II capital measures, the ORSA, reporting and disclosure, and other business applications.

The Group's risk profile differs significantly from that assumed by the Standard Formula making the latter unsuitable to measure the Group's SCR.

## E.3.2 Internal Model scope

### Scope (by business unit)

All of the Group's business units are included in the scope of the Internal Model.

### Scope (by risk type)

The Internal Model SCR is split into the following sub-modules:

- Underwriting Risk
- Catastrophe Risk
- Reserve Risk
- Market Risk
- Credit Risk
- Currency Risk
- PIC counterparty risk
- Operational Risk
- Other Drivers

## E.3.3 Partial Internal Model integration

A full Internal Model is used so there is no partial Internal Model integration into the standard formula.

## E.3.4 Internal Model calculation methods

### Overview of model methodology

The Group employs an Internal Model to determine its SCR at both a Group and UK regulated entity level. The SCRs assume that one year of new business is written as a going concern and calculates the movement in basic own funds over one year.

A model run consists of 100,000 simulations, each representing a different possible outcome of the future cash flows and balance sheets. For each projected balance sheet, the difference between the opening available net assets and the present value of projected net assets represents the capital required to meet the outflows and value movements in the period up to that projected balance sheet.

Operational Risk is modelled separately, and the resulting capital requirement added to that produced by the main model run to arrive at the overall assessment of capital required.

## E.3.5 Differences in methodologies and assumptions

### Differences in standard formula and Internal Model structure

The Group's Internal Model is structured in a different way from the standard formula. In the standard formula, different risk types are considered on a standalone basis and explicit correlations are applied to each risk factor to derive an overall capital requirement. The Internal Model is a fully integrated cash flow model where individual variables interact to create a distribution of outcomes, by simulating future cash flows to perform an annual valuation of each item on the balance sheet.

### Explanation by risk module used in Internal Model and standard formula

#### Insurance risk – underwriting, reserve and catastrophe

The Internal Model splits insurance risk into three categories:

- Underwriting Risk
- Reserve Risk
- Catastrophe Risk

Non-life, health and life risks are all considered jointly within each category (although non-life is the material component).

The standard formula splits non-life risks and non-life like health risks into three separate categories:

- Premium and Reserve Risk
- Catastrophe Risk
- Lapse (immaterial for RSA as a non-life insurer)

In broad terms, standard formula premium and reserve risk for non-life and health can be compared to Internal Model underwriting and reserve risk (although the standard formula combines the two).

Catastrophe risk can be similarly compared.

This approach is crude as it ignores the fundamentally different approach to diversification between the two methods.

Life risks are immaterial at a Group level for both the Internal Model and standard formula, given the nature of the Group's operations.

#### Market and currency risk

The standard formula uses pre-determined charges, whereas the Internal Model uses projected returns on the Group's assets based on a range of economic simulations, which leads to a more appropriate reflection of the Group's risk profile.

#### Counterparty risk

The Internal Model will simulate defaults based on Standard & Poor's credit ratings and the Group's own reinsurance data for cash and reinsurance exposures. Policyholder, intermediary and other asset defaults are modelled based on historic default data, which are lower than that implied by the standard formula's 15% and 90% default rates.

#### Operational risk and other items

The Internal Model uses scenarios that are designed using expert judgement from subject matter experts using the Group's real experience and third party data. As a result, the Internal Model is more closely aligned to real world experience than a function of premium or reserves.

### Risks not covered by the standard formula but covered by the Internal Model

- The standard formula is, by its very nature and design, a standardised calculation method and is therefore not tailored to the individual risk profile of the Group. For example, the standard formula does not capture claims inflation risk arising from changes in legislative, global economic and political environment.

## E.3.6 Risk measure and time period

The Internal Model SCR represents the capital required to ensure that the firm will have sufficient amount of eligible capital resources to be able to meet its obligations when the business encounters adverse conditions, subject to a confidence level of 99.5% over a one-year period and assuming the business remains a going concern.

### E.3.7 Data nature and appropriateness

There are many data sources used in the Internal Model.

For example:

- Balance Sheet data
- Detailed asset data
- Best estimate reserves and reserving triangles by class of business
- Historical loss ratios by class of business
- Historical large losses by class of business
- Operational Plan
- Exposure data for Catastrophe Modelling
- Economic data for Economic Scenario Generator
- Operational risk loss scenario assessments

Each data item used by the Internal Model is assessed in an annual data quality assessment exercise to establish whether the data is accurate, appropriate and complete.

### E.3.8 Solo and Group level differences

The Group and UK solo entities use the same Internal Model.

## E.4 Non-compliance with the MSCR and non-compliance with the SCR

The Group has been fully compliant with the Group SCR and maintained a surplus on the MSCR during the reporting period.

## E.5 Any other information

Nothing to report.

# Appendix 1. Group Branches

## Branches as at 31 December 2025

| Company | Country of Branch |
|---|---|
| Intact Insurance UK Limited | Argentina<br>China<br>Dubai, United Arab Emirates<br>Greece<br>Ireland |
| Intact Insurance (Europe) SA | Belgium<br>France<br>Germany<br>Netherlands<br>Spain<br>United Kingdom |
| The Marine Insurance Company Limited | Greece |
| Royal International Insurance Holdings Limited | Greece |
| Sun Insurance Office Limited | Greece |
| The London Assurance | Greece |
| Intact Insurance Ireland DAC | United Kingdom |
| EGI Holdings Limited (in liquidation) | United Kingdom |
| RSA Overseas Holdings (No.1) Unlimited Company | United Kingdom |
| Intact Business Services Private Limited | United Kingdom |

# Appendix 2. Intact Insurance UK Limited Solo SFCR Sections

## Summary

Intact UK is the main insurance company in the Group, primarily offering commercial and speciality lines insurance and related financial services.

The Group SFCR meets the regulatory requirement for public disclosure in respect of Intact UK, RSA Re and MIC. As mentioned in the introduction in the Group SFCR, Intact UK, RSA Re and MIC are legal entities meeting all regulatory and governance requirements and their individual risk profile and capital requirements are monitored to ensure ongoing regulatory compliance. However, the Group does not manage each entity as an individual business and does not set individual business strategies. In light of this, it is important for the reader to understand that the focus of the Group SFCR is the activities of the Group as a whole.

# A. Business and Performance

Intact UK is the largest operating company in the Group and transacts the majority of the Group's business. Intact UK transacts the greater part of its business in the UK. In the UK, Intact currently offers commercial lines and specialty lines insurance. As of October 2025, RSA, NIG and Farmweb have officially rebranded to Intact Insurance.

The Company also provides a broad range of insurance solutions, tailored to meet the unique needs of specific industry segments and diverse customer groups, largely in the London Market, distributed through brokers under the Intact brand.

In addition, the Company provides reinsurance to other companies within the Intact group, including Intact Ireland, Intact Europe and Belair. Under these arrangements, insurance risk for a proportion of the business of those companies is transferred to the Company.

## Business strategy

Intact UK has adopted the Group business strategy. Our ambition is to build on the Group's strengths to deliver a consistently outperforming underwriting result. We have six key areas of strategic focus to achieve outperformance:

- Leading customer experiences: Customers are at the heart of everything we do. We aim for continuous improvement of experiences and outcomes.
- Expand broker distribution: Through strengthening and deepening our relationships with brokers.
- Optimise underwriting for outperformance: With market leading pricing, underwriting and claims capability.
- Responsive and agile technology and operations: By simplifying business channels and processes to improve our efficiency.
- Be a best employer: People are at the heart of our organisation, and of our success. We aim to be a best employer and for our employees and leaders to be representative of the communities we serve.
- Look after tomorrow: We seek to be recognised as leaders in building resilient communities and support Intact's target to achieve net zero emissions by 2050 and halve operations emissions by 2030.

## Performance information

This section of the Appendix provides information about the business and performance of Intact UK, covering in particular the performance from underwriting and investment activities.

Performance figures in Section A of this Appendix have been prepared in accordance with the same accounting standards used for Intact UK's financial statements.

# A.1 Business

## A.1.1 Company name & legal form

Intact Insurance UK Limited is a private limited company incorporated in England and Wales.

## A.1.2 Supervisory authority

The PRA is the authority responsible for prudential supervision of Intact UK. The contact details of the PRA are in Section A.1.2 in the Group SFCR.

## A.1.3 External auditor

Intact UK's external auditor is Ernst & Young LLP. See section A.1.3 in the Group SFCR for contact details.

## A.1.4 Holders of qualifying holdings

Royal Insurance Holdings Limited has 100% of the voting rights in Intact UK.

## A.1.5 Position within the Group legal structure

Intact UK's immediate parent company is Royal Insurance Holdings Limited, a company incorporated in England and Wales.

Intact UK's ultimate parent and controlling party is IFC, a company incorporated in Canada.

## A.1.6 Material related undertakings

See Appendix A of the Intact UK 2025 financial statements for a list of all subsidiaries and associates of Intact UK.

Refer to note 29.4 of IFC's 2025 consolidated financial statements for significant operating entities which share common ownership with Intact UK.

See Appendix 1 of the Group SFCR for a list of all branches, including those of Intact UK. None of Intact UK's branches are material.

See Section A.1.6 of the Group SFCR for a list of the Group's material related undertakings.

## A.1.7 Simplified Group structure

See Section A.1.7 of the Group SFCR.

## A.1.8 Business lines and geographical areas

Intact UK's material lines of business and material geographical areas where it has carried out business during the year are detailed in the table below:

| Geographic regions |
|---|
| UK |
| International (comprising Ireland and Europe) |
| **Line of business – non-life** |
| Miscellaneous financial loss |
| Motor vehicle liability |
| Other motor |
| Marine, aviation and transport |
| Fire and other damage to property |
| General liability |

## A.1.9 Significant events

During 2025, the company completed a rebrand to Intact Insurance UK Limited, replacing the RSA and NIG brands. Refer to the Group SFCR section A.1.9 for further details.

The company continued to execute on its planned exit from UK personal lines. In the first quarter of 2025, an agreement was reached to transfer the largest UK personal lines partnership business by the end of the year. This transfer was completed as planned.

In June 2025 the company received a dividend of £17m from its subsidiary EGI Holdings Limited.

# A.2 Underwriting performance

Intact UK's operations are materially driven by the UK & International region's results and are affected by factors not reflected in divisional numbers such as intra-group reinsurance (see Section A.1.10 in the Group SFCR). The Intact UK Board manages the operations on a divisional basis as described in the RSAIG 2025 consolidated financial statements. For this reason, the Intact Board believes that analysis using key performance indicators for the UK business in aggregate is relevant to Intact UK. See note 27 of the RSAIG 2025 consolidated financial statements for details of the performance of the UK business.

The underwriting result for the period by material SUK lines of business is shown below and is calculated on the same basis as the Intact UK underwriting result as shown in the Alternative Performance Measures section of its financial statements. Materially all business is underwritten in the UK.

| | Underwriting Result | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Non-life** | | |
| Fire and Other Damage to Property | **27** | 98 |
| Motor Vehicle Liability | **102** | (2) |
| Other Motor | **(15)** | 28 |
| Marine, Aviation and Transport | **27** | 68 |
| General Liability | **68** | 26 |
| Miscellaneous Financial Loss | **4** | 11 |
| **Total material lines of business** | **213** | 229 |
| Non-material | **18** | 27 |
| **Total Non-Life** | **231** | 256 |
| Total life/annuities | **(22)** | (10) |
| **Total** | **209** | 246 |

# A.3 Investment performance

The information in this section of the report is taken from the Intact UK financial statements.

## A.3.1 Income and expenses by class

Asset classes shown in this section follow the definitions used in Intact UK's financial statements which may differ from the definitions used in Section D (Valuation for Solvency Purposes) of this Appendix.

A summary of the gross investment income, net realised and net unrealised gains/(losses) included in the income statement is given below:

| Years ended 31 December | **2025**<br>**£m** | 2024<br>£m |
|---|---|---|
| Interest income calculated using the effective interest method: | | |
| Debt securities classified as FVTOCI | **92** | 97 |
| Loans and cash and cash equivalents | **15** | 23 |
| Loans with group undertakings | **-** | 4 |
| Interest and similar income on securities classified or designated as FVTPL | **89** | 87 |
| **Interest income** | **196** | 211 |
| Dividend income: | | |
| FVTPL equities | **31** | 10 |
| **Dividend income** | **31** | 10 |
| Investment property rental income | **21** | 17 |
| **Investment income** | **248** | 238 |

A summary of the investment management expenses by asset class is given below:

| | **2025**<br>**£m** | 2024<br>£m |
|---|---|---|
| Investment property | **(1)** | (1) |
| Equity securities | **(2)** | (1) |
| Debt securities | **(9)** | (6) |
| Other | **(1)** | (1) |
| **Total investment management expenses** | **(13)** | (9) |
| Internal loan interest | **(3)** | (6) |
| **Expenses including net investment return** | **(16)** | (15) |

## A.3.2 Gains and losses recognised in equity

Fair value gains on Fair Value Through Other Comprehensive Income (FVTOCI) assets net of tax were £26m (2024: £4m).

Gains and losses recognised in the income statement for financial instruments are as follows:

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Fixed income** | **Equity and property** | **Total** | Fixed income | Equity and property | Total |
| **Years ended 31 December** | **£m** | **£m** | **£m** | £m | £m | £m |
| **Net (losses) gains from:** | | | | | | |
| Financial instruments: | | | | | | |
| Classified as FVTOCI | **1** | **-** | **1** | (1) | - | (1) |
| Classified or Designated as FVTPL | **7** | **51** | **58** | (24) | 1 | (23) |
| | **8** | **51** | **59** | (25) | 1 | (24) |
| Derivatives[1] | **-** | **(4)** | **(4)** | - | (1) | (1) |
| Investment property | **-** | **5** | **5** | - | 3 | 3 |
| Net foreign currency losses | **1** | **-** | **1** | (75) | - | (75) |
| ECL expense[2] | **-** | **-** | **-** | (1) | - | (1) |
| Other | | | | - | - | - |
| | | | | (101) | 3 | (98) |
| Impairment of group undertakings | **-** | **(11)** | **(11)** | - | (1) | (1) |
| | **9** | **41** | **50** | (101) | 2 | (99) |

[1] Excluding foreign currency contracts, which are recognised in Net foreign currency gains (losses) on investments. Derivatives are mandatorily measured at FVTPL.

[2] ECL expense is not significant due to the high credit quality of the investment portfolio.

## A.3.3 Investments in securitisation

Intact UK invests in securitised investments. These investments are issued by entities created by and managed by external specialist investment managers.

Intact UK's exposure to securitised investments as at 31 December 2025 is summarised in the table below:

| | | **Exposure** | |
|---|---|---|---|
| | | **2025** | 2024 |
| **Class of investments** | **Nature of the underlying investments of the vehicle** | **£m** | £m |
| Collateralised debt obligations | Structured debt security backed by bonds | **221** | 207 |

# A.4 Performance of other activities

## A.4.1 Other material income & expenses

For details of other material income and expenses, see notes 21-23 and 32 of the Intact UK financial statements.

## A.4.2 Operating and finance leasing arrangements

Intact UK acts as lessee and lessor in a number of lease arrangements. For further details of Intact UK's leasing arrangements, see note 30 of Intact UK's financial statements.

# B. System of Governance

## B.1 General information on the System of Governance

### Intact UK's System of Governance

Intact UK has adopted the RSAIG System of Governance as described in Section B in the main body of the report.

### Intact UK Board and Operating Committee

RSAIG and Intact UK businesses are overseen by a single set of Directors. The members of the boards of these companies are the same and their meetings are run in a combined session with one agenda and one board pack. The agenda and papers specify whether an item relates to a particular legal entity. The papers describe any differences between relevant issues from an RSAIG and Intact UK perspective.

The Board may exercise all the powers of the relevant company subject to the Articles of Association, relevant laws, and any directions as may be given by shareholder resolution. The directors may delegate any of their powers or discretions to committees except for matters specifically reserved for the whole Board in the Schedule of Matters Reserved.

All key or material decisions made at Board meetings are documented by Company Secretariat. The Board reviews Intact UK's financial performance through regular reports, including quarterly capital updates and a quarterly presentation on actual performance against plan and a previous financial year comparison. The Schedule of Matters Reserved requires approval of the outsourcing of any critical functions and activities at least annually, and Board review of their performance.

The Chair is responsible for ensuring a formal and rigorous evaluation of Board effectiveness is undertaken on an annual basis.

The Intact UK Operating Committee oversees Intact UK's business and exercises governance oversight in relation to its subsidiaries in other jurisdictions. The powers of the Operating Committee are set out in its Terms of Reference. The committee is composed of senior managers from the UK&I business. It meets as and when required to review matters of a 'business as usual' nature within its remit.

The remit of the Board committees includes RSAIG and Intact UK matters. Each of the committees has written Terms of Reference defining its role and the authority delegated to it. The Terms of Reference for each Board committee are reviewed annually.

### Remuneration

Intact UK ensures that it has appropriate remuneration arrangements through the adoption of a Remuneration Policy. This policy outlines Intact UK's overall approach to remuneration, and also the governance framework for making remuneration decisions.

The policy is designed to appropriately reward performance and promote sound and effective risk management, compliance with external regulatory requirements and alignment to the long-term interests of the company and its ultimate shareholder, IFC.

### Key Governance Functions

None of Intact UK's key governance functions have been outsourced.

## Changes during 2025

There were no changes to the company's System of Governance during the reporting period.

## Shareholder/Board transactions

### Key management transactions

The aggregate emoluments of the directors, including amounts received from subsidiaries, were as follows:

| | £m |
|---|---|
| Short term benefits | **3.5** |
| **Total** | **3.5** |

During 2025, £105,735 in retirement benefits were accrued for one director under a defined benefit pension scheme and no contributions were made to defined contribution pension schemes.

During 2025, one director exercised share options, one director had Performance Share Unites (PSUs) vesting in the company's ultimate parent, Intact, as part of their remuneration for service as an executive of the company, two directors and one non-executive directors had PSUs, and one non-executive director had Restricted Share Units (RSUs) vesting in the Company's ultimate parent company, Intact, as part of their remuneration for service as executives of Intact, and one non-executive director had Deferred Share Units (DSUs) vesting in Intact, as part of their fee for their role on the Intact Board of Directors. The DSUs are redeemed upon director retirement or termination and are settled for cash afterwards.

### Dividends

In June 2025 and November 2025, ordinary interim dividends of £160m and £128m respectively were paid by the Company to Royal Insurance Holdings Limited. For further details of dividends paid and proposed, refer to Note 18 of the financial statements of the Company.

### Ancillary Own Funds

In May 2023 the PRA reapproved the AOF item for Intact UK with effect from 8 July 2023 for a period of three years. The item comprises £250m of nil-paid uncalled share capital. The AOF counts as Tier 2 capital in Intact UK's Solo solvency calculations, subject to eligibility rules, however, it does not count towards covering its MCR. The AOF item also counts as Tier 2 capital for Group solvency purposes.

## B.2 Fit and proper requirements

See Section B.2 within the Group SFCR for details of the Group's fit and proper requirements.

## B.3 Risk management system including the Own Risk and Solvency Assessment

Intact UK has adopted the Group's Risk Management System, reflecting the close alignment between Intact UK's risk strategy and risk appetite with that of the Group. See Section B.3 within the Group SFCR for details of the Group's Risk Management System.

## B.4 Internal control system

Intact UK has adopted the Group internal control system. See Section B.4 within the Group SFCR for details of the Group's internal control system.

## B.5 Internal audit function

See Section B.5 within the Group SFCR for details of the Group's internal audit function.

This approach is applied to the plans for Intact UK. CAS provides its audit plans and quarterly updates on progress against plans; the outcomes of its work; and progress against issues to the Intact UK Board.

## B.6 Actuarial function

The Group Actuarial Function Holder is also the Actuarial Function Holder for Intact UK and has independent access to the Intact UK Board. The Group Actuarial Function produces annual Actuarial Function reports summarising the key conclusions of the actuarial function's work covering Intact UK and these are presented to the Intact UK Board.

See Section B.6 within the Group SFCR for details of the Group's Actuarial Function.

## B.7 Outsourcing

Intact UK enters into outsourcing contracts and distribution arrangements with third parties in the normal course of its business and is reliant upon those third parties being willing and able to perform their obligations in accordance with the terms and conditions of the contracts.

Certain of Intact UK's subsidiaries have also entered into outsourcing agreements with it in relation to the efficient provision of services across the Group. See Section B.7 within the Group SFCR for further details.

The Intact UK Board has oversight of Intact UK's reliance on critical third parties and material outsourcing relationships.

## B.8 Any other information

Nothing to report.

# C. Risk Profile

Intact UK has adopted the Group Enterprise Risk Framework, reflecting the close alignment between Intact UK's risk strategy and risk appetite with that of the Group.

Given that the entities above Intact UK in the Group structure are not deemed to materially contribute to the Group's risk profile, the risk profile of Intact UK is considered equivalent to that of the Group, with the same risks being experienced either directly or via the valuation of its subsidiaries Internal Model.

Information on Intact UK's risk profile is therefore contained in Section C within the Group SFCR which sets out the Group's risk profile.

# D. Valuation for Solvency Purposes

The statutory accounts values shown in this section are prepared in accordance with IFRS, the accounting standards used for Intact UK's financial statements. All basis of preparation descriptions referring to IFRS in Section D in the Group SFCR apply equally to Intact UK.

For further details of the accounting policies adopted for the purposes of preparing statutory accounts, see the accounting policies section of Intact UK's financial statements.

Section D is subject to external audit, with the exception of the text and figures relating to Risk Margin. These are excluded from the scope of external audit as they are derived from the internal model used to calculate the Intact UK's Solvency Capital Requirement which is also unaudited. See Appendix 6 for further details of the scope of the external audit.

## Intact UK SUK balance sheet

| | Financial statements note | Financial Statements value £m | Solvency UK value £m | Variance £m | Group SFCR section |
|---|---|---|---|---|---|
| Goodwill and intangible assets | 14 | 750 | - | (750) | D.1.1.1, D.1.1.2 |
| Deferred tax assets | 24 | 257 | 257 | - | D.1.1.4 |
| Pension benefit surplus | 26 | 38 | 38 | - | D.1.1.5 |
| Property, plant and equipment held for own use | 15 | 91 | 83 | (8) | D.1.1.6 |
| Investments (other than assets held for index-linked and unit-linked contracts) | | 6,383 | 6,584 | 201 | |
| *Property (other than for own use)* | 6 | 376 | 376 | - | D.1.1.7 |
| *Holdings in related undertakings, including participations* | 8 | 848 | 963 | 115 | D.1.1.8 |
| *Equities* | 6 | 546 | 511 | (35) | D.1.1.9 |
| *Bonds* | 6 | 4,575 | 4,218 | (357) | D.1.1.9 |
| *Collective investments undertakings* | | - | 429 | 429 | D.1.1.9 |
| *Derivatives* | 7,16 | 38 | 38 | - | D.1.1.9 |
| *Deposits other than cash equivalents* | | - | 49 | 49 | D.1.1.9 |
| Loans and mortgages | 6 | 253 | 252 | (1) | D.1.1.9 |
| Reinsurance recoverables | 11 | 996 | 838 | (158) | D.2 |
| Deposits to cedants | | - | 27 | 27 | D.1.1.9 |
| Insurance and intermediaries receivables | | - | 122 | 122 | D.1.1.9 |
| Reinsurance receivables | | - | 21 | 21 | D.1.1.9 |
| Receivables (trade, not insurance) | | 163 | 155 | (8) | D.1.1.9 |
| Cash and cash equivalents | 6 | 72 | 42 | (30) | D.1.1.9 |
| Any other assets, not elsewhere shown | | 104 | 15 | (89) | D.1.1.9 |
| **Total assets** | | **9,107** | **8,434** | **(673)** | |
| Technical provisions | 11 | 5,408 | 5,193 | (215) | D.2 |
| Contingent liabilities | | - | 7 | 7 | |
| Provisions other than technical provisions | 16 | 22 | 22 | - | D.3.1.3 |
| Pension benefit obligations | 16, 26 | 3 | 3 | - | D.1.1.5 |
| Derivatives | 7 | 16 | 16 | - | D.1.1.9 |
| Financial liabilities other than debts owed to credit institutions | | 419 | 419 | - | D.3.1.1 |
| Insurance & intermediaries payables | | - | 164 | 164 | D.3.1.1 |
| Reinsurance payables | | - | 2 | 2 | D.3.1.1 |
| Payables (trade, not insurance) | | 326 | 374 | 48 | D.3.1.1 |
| Any other liabilities, not elsewhere shown | | 186 | 252 | 66 | D.3.1.1 |
| **Total liabilities** | | **6,380** | **6,452** | **72** | |
| **Excess of assets over liabilities** | | **2,727** | **1,982** | **(745)** | |

## D.1.1 Valuation of assets and liabilities

The assets and liabilities of Intact UK are valued in accordance with the Valuation Part of the PRA Rulebook applicable to SUK firms. The bases, methods and main assumptions used in valuing those assets are the same as those used for RSAIG, refer to Section D.1 and D.3 of the Group SFCR for further details.

### Financial assets

Any other assets not elsewhere shown; Includes accrued income and prepayments. Prepaid expenses that are considered to have no future economic value are valued at £nil under SUK.

### Financial liabilities

A breakdown of any other liabilities, not elsewhere shown as at 31 December 2025 is shown below

| | Financial Statements | SUK | Variance |
|---|---|---|---|
| | £m | £m | £m |
| Accrued Expenditure | 133 | 199 | 66 |
| Other | 53 | 53 | - |
| Any other liabilities, not elsewhere shown | 186 | 252 | 66 |

# D.1.2 Analysis of deferred tax

An analysis of deferred tax on a SUK basis is detailed below:

| | Asset £m | Liability £m |
|---|---|---|
| Deferred tax assets | **257** | **-** |

The following are the major deferred tax assets and liabilities recognised by Intact UK:

| | £m |
|---|---|
| Net unrealised loss on investments | **5** |
| Tax losses and unused tax credits | **44** |
| Transitional relief on IFRS9 assets | **16** |
| Other deferred tax reliefs | **81** |
| Retirement benefit obligations | **27** |
| Capital allowances | **72** |
| Provisions and other temporary differences | **12** |
| Net deferred tax position at 31 December | **257** |

At the end of the reporting period, the Company has unused gross trading losses of £1,813m. A deferred tax asset of £44m has been recognised in respect of ‘income’ losses at 31 December 2025. No deferred tax asset has been recognised in respect of gross trading losses of £1,636m due to the unpredictability of future profit streams. In addition, the Company has other deductible temporary differences of £495m for which no deferred tax has been recognised.

No deferred tax has been recognised in respect of £275m SUK adjustments as there is insufficient certainty that adequate future profits will be available.

Tax assets and liabilities are recognised based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets have been recognised on the basis that management consider it probable that future taxable profits will be available against which these deferred tax assets can be utilised. Key assumptions in the forecast are subject to sensitivity testing which, together with additional modelling and analysis, support management’s judgement that the carrying value of deferred tax assets continues to be supportable. The recognition approach is consistent with that applied at 31 December 2025. The basis of deferred tax asset recognition, together with the impact of downward movements in key assumptions and specific downside scenarios on the value of the UK deferred tax asset is detailed in RSAIG Section D1.2.

The value of the deferred tax asset is sensitive to assumptions in respect of forecast profits. Further stress and scenario tests are also run over the level of DTA supported by UK forecast profits to assess their impact on the recognised DTA. These sensitivities are run on the base case scenario and their impact is already considered in the scenario selected for DTA recognition. The relationship between the UK deferred tax asset and the sensitivities is not always linear. Therefore, the cumulative impact on the deferred tax asset of combined sensitivities or longer extrapolations will be indicative only.

The procedure for providing SUK deferred tax figures for Intact UK utilises a walkthrough bridge from the figures reported on an IFRS basis in Intact UK's Report & Accounts. A tax analysis of valuation adjustments made to the statutory accounts balances is performed in arriving at the Solvency II UK balance sheet. Where these valuation adjustments give rise to a new temporary difference under IAS 12, the recognition of a deferred tax asset or liability is considered in accordance with IFRS principles and SUK guidance, including an assessment of the availability of future profits in the case of a deferred tax asset.

# D.2 Technical provisions

| | | SUK Net Technical Provisions Best Estimate £m | Risk Margin £m | Statutory Accounts Value £m | Difference £m |
|---|---|---|---|---|---|
| Direct Business and Accepted Proportional Reinsurance | Motor Vehicle Liability | **1,227** | **50** | **1,340** | **(63)** |
| | Other Motor | **171** | **3** | **191** | **(17)** |
| | Marine, Aviation and Transport | **189** | **5** | **200** | **(6)** |
| | Fire and Other Damage to Property | **1,237** | **28** | **1,209** | **56** |
| | General Liability | **1,172** | **51** | **1,263** | **(40)** |
| Other Non-Life Direct and Accepted Non-Proportional Reinsurance Lines | | **78** | **2** | **67** | **13** |
| Life & Health Insurance Lines (including Annuities Stemming from Non-Life) | | **122** | **20** | **142** | **-** |
| **TOTAL** | | **4,196** | **159** | **4,412** | **(57)** |

**Notes**

(1) Allowance for future premium within SUK Technical Provisions is a significant difference impacting multiple lines of business. These include Motor Vehicle Liability, Other Motor, General Liability, Marine Aviation & Transport, and Fire & Other Damage to Property insurance.

(2) The Risk Margin under SUK is defined differently to the Risk Adjustment under IFRS. The Risk Margin covers cost of holding capital until runoff whilst the risk adjustment allows for uncertainty in the internal model reserve volatility around the reserve best estimate.

(3) Life & Health insurance lines are comprised of non-life settled annuities where the difference is almost entirely driven by the difference in IFRS and SUK risk margins and the difference in yield curves.

## Uncertainties and contingencies

The uncertainties and contingencies referred to in Section D.2.3 of the Group SFCR are also applicable to Intact UK.

# D.3 Other liabilities

## Liabilities for employee benefits including defined benefit plan assets

### Defined benefit pension schemes and other post-retirement benefits

The major defined benefit pension schemes are located in the UK. The assets of these schemes are mainly held in separate trustee administered funds. The UK defined benefit schemes were effectively closed to new entrants in 2002 and subsequently closed to future accruals with effect from 31 March 2017.

The value of scheme assets and defined benefit liability at 31 December 2025 are as follows:

| | Total £m |
|---|---|
| Defined benefit obligation (funded) | **(4,792)** |
| Defined benefit obligation (unfunded) | **(3)** |
| Fair value of plan assets | **4,842** |
| | **47** |
| Other net surplus remeasurements | **(12)** |
| **Net DB asset** | **35** |
| Plans in a surplus position | **38** |
| Plans in a deficit position and unfunded plans | **(3)** |
| **Pension liabilities** | **35** |

| **Fair value of plan assets** | Quoted £m | Unquoted £m | Total £m |
|---|---|---|---|
| Cash and cash equivalents | **15** | **-** | **15** |
| **Debt securities** | | | |
| Government debt securities | **8** | **-** | **8** |
| **Debt securities** | **8** | **-** | **8** |
| Equity securities | **3** | **-** | **3** |
| Annuity buy-in insurance contracts | **-** | **4,816** | **4,816** |
| **Total Investments** | **26** | **4,816** | **4,842** |
| **Total net plan assets** | **26** | **4,816** | **4,842** |

## D.4 Alternative methods for valuation

Assets and liabilities valued using alternative valuation methods, in accordance with Rule 6(5) of the Valuation Part of the PRA Rulebook applicable to SUK firms, include property and certain debt and equity private fund structures for which fair value measurements are derived from valuation techniques that include significant inputs that are not based on observable market data (unobservable inputs).

Property valuations are carried out in accordance with the latest edition of the Valuation Standards published by the Royal Institution of Charted Surveyors (RICS) and are undertaken by independent RICS registered valuers. Valuations are based on the comparative method with reference to sales of other comparable buildings and take into account the nature, location and condition of the specific property, together with factoring in the occupational lease terms and tenant covenant strength as appropriate. The valuations also include an income approach using discounted future cash flows, which uses unobservable inputs such as discount rates, rental values, vacancy rates and void or rent-free period expected after the end of each lease.

Debt and equity private funds are principally valued at the proportion of the Group’s holding of the Net Asset Value (NAV) reported by the investment vehicle. Several procedures are employed to assess the reasonableness of the NAV reported by the fund, including obtaining and reviewing periodic and audited financial statements and estimating fair value based on a discounted cash flow model that adds spreads for credit and illiquidity to a risk-free discount rate.

There is no material difference between the bases, methods and assumptions used when valuing these instruments for SUK purposes and those used for IFRS reporting. See Section D.1 and D.3 for description of the valuation techniques used and how they are assessed.

See note 8 of the RSAIG 2025 consolidated financial statements for further details of the valuation methods, uncertainties and assumptions used when valuing such instruments.

# E. Capital Management

# E.1 Own funds

## E.1.1 Objectives, policies, processes and material changes

Section E is subject to external audit, with the exception of any text or figures which are, or derive from, the internally modelled Solvency Capital Requirement. See Appendix 6 for further details of the scope of the external audit.

Information on the Group's capital management is contained in Section E of the Group SFCR.

Given that the entities above Intact UK in the Group structure are not deemed to materially contribute to the Group's risk profile, the risk profile of Intact UK is considered to be identical to that of the Group and therefore the modelled SCR of the Group and Intact UK is the same.

## E.1.2 Structure, amount and quality of own funds

### Capital composition

The capital structure of Intact UK by tier as at 31 December 2025 is as per the table below. Tier 2 capital reflects the guarantee in respect of the 2014 Tier 2 debt instrument issued by the Group and the Ancillary Own Funds item reapproved for use in May 2023.

The Group redeemed its remaining £120m dated guaranteed subordinated liabilities on the first call date of 10 October 2025, relinquishing Intact UK of its guarantee in respect to those instruments.

| | | **2025 £m** | 2024 £m |
|---|---|---|---|
| Tier 1 Unrestricted | Equity capital (including Share Premium) | **1,135** | 1,016 |
| | Reconciliation reserve | **516** | 596 |
| | | **1,651** | 1,612 |
| Tier 2 | Share capital | **-** | 119 |
| | Ancillary own funds item | **250** | 250 |
| | | **250** | 369 |
| Tier 3 | Net deferred tax assets | **257** | 264 |
| | **Total Own Funds** | **2,158** | 2,245 |

For further information regarding Ancillary Own Funds, refer to Section E.1.7 of RSAIG's SFCR.

# E.1.3 Eligible own funds to cover the SCR

## Basic own funds to eligible own funds

A basic own funds to eligible own funds to cover the SCR reconciliation for Intact UK is shown below. No capital is deemed to be non-available to meet the SCR within Intact UK's own funds.

| | Basic Own Funds £m | Ancillary Own Funds £m | Availability restrictions £m | Available Own Funds £m | Eligibility restrictions £m | Eligible Own Funds £m | Eligibility Capacity £m | Eligibility rule |
|---|---|---|---|---|---|---|---|---|
| Tier 1 | **1,651** | **-** | **-** | **1,651** | **-** | **1,651** | | |
| Tier 2 | **-** | **250** | **-** | **250** | **-** | **250** | **619** | **Tier 2 + Tier 3 up to 50% of SCR** |
| Tier 3 | **257** | **-** | **-** | **257** | **(71)** | **186** | | |
| **Total** | **1,908** | **250** | **-** | **2,158** | **(71)** | **2,087** | | |
| | | | | | **SCR** | **1,239** | | |
| | | | | | **Surplus** | **848** | | |
| | | | | | **SCR Coverage** | **168%** | | |

## Analysis of significant changes in own funds

Intact UK's unrestricted Tier 1 capital is broadly unchanged during the year.

In June 2025, Intact UK paid an interim ordinary dividend of £160m to Royal Insurance Holdings Limited.

In November 2025, Intact UK paid an interim ordinary dividend of £128m to Royal Insurance Holdings Limited.

The reconciliation reserve has decreased in value over the year predominantly driven by positive capital generation, offset by the interim ordinary dividend payments made in June and November.

## E.1.4 Eligible own funds to cover the MCR

A basic own funds to eligible own funds to cover the MCR reconciliation for Intact UK is shown below:

| | Basic Own Funds £m | Ancillary Own Funds £m | Availability restrictions £m | Available Own Funds £m | Eligibility restrictions £m | Eligible Own Funds £m | Eligibility Capacity £m | Eligibility rule |
|---|---|---|---|---|---|---|---|---|
| Tier 1 | **1,651** | **-** | **-** | **1,651** | **-** | **1,651** | | |
| Tier 2 | **-** | **250** | **(250)** | **-** | **-** | **-** | **112** | **Tier 2 up to 20% of MCR** |
| Tier 3 | **257** | **-** | **(257)** | **-** | **-** | **-** | | **Ineligible** |
| **Total** | **1,908** | **250** | **(507)** | **1,651** | **-** | **1,651** | | |

| | |
|---|---|
| **MCR** | **558** |
| **Surplus** | **1,093** |
| **MCR Coverage** | **296%** |

## E.1.5 Differences between equity and net assets

Following on from Section D, SUK basic own funds are calculated in the following table:

| | £m |
|---|---|
| Excess of assets over liabilities (see Section D) | **1,982** |
| Foreseeable dividends, distributions and charges | **(74)** |
| Ancillary own funds items | **250** |
| **SUK Own Funds** | **2,158** |

Included in the foreseeable dividends, distributions and charges row in the IR.23.01 is a deduction for net intercompany amounts owed to Intact UK from entities above it in the Group structure.

In practice, these amounts can only be settled via a dividend payment from Intact UK, the excluded amount being approximately £26m, which reflects amounts owed by entities above Intact UK which cannot be readily settled using existing resources.

IAS 19 pension surpluses in excess of their scheme's marginal share of the SCR are also deducted from the reconciliation reserve, the excluded amount being approximately £48m.

# E.2 Solvency capital requirement and minimum capital requirement

## E.2.1 SCR and MSCR

As at 31 December 2025 Intact UK's SCR was £1,239m and the MCR £558m.

### Movements in the SCR

The SCR has increased over the year driven by market movements (yield-driven), partially offset by the net impact of the change in business mix as a result of the PL exit.

### Movements in the MCR

As was the case at year-end 2024, Intact UK's MCR remains bound by the 45% upper bound of the SCR corridor.

### Deferred tax

For details on the availability and eligibility of deferred tax assets, see Sections E.1.3 and E.1.4 of the Group SFCR.

# E.3 Differences between the standard formula and any Internal Model used

For information regarding the Internal Model refer to Section E.3 of the Group SFCR.

# E.4 Non-compliance with the MCR and non-compliance with the SCR

Intact UK has been fully compliant with its SCR and MCR during the reporting period.

# E.5 Any other information

Nothing to report.

# Appendix 3. Royal & Sun Alliance Reinsurance Limited Solo SFCR Sections

## Summary

The principal activity of the Company is to act as a fronting insurer and to provide a settlement function for the insurance activities carried out by the Group offices and Global Network Partners (Strategic Network Partners). The Global Network consists of local partner insurers and allows multinational insurance programmes to be written across the globe.

The Group SFCR meets the regulatory requirement for public disclosure in respect of Intact UK, RSA Re and MIC. As mentioned in the introduction in the Group SFCR, Intact UK, RSA Re and MIC are legal entities meeting all regulatory and governance requirements and their individual risk profile and capital requirements are monitored to ensure ongoing regulatory compliance. However, the Group does not manage each entity as an individual business and does not set individual business strategies. In light of this, it is important for the reader to understand that the focus of the Group SFCR is the activities of the Group as a whole.

# A. Business and Performance

## General structure

RSA Re is the legal entity through which the following types of Group activities are undertaken:

- Business written by the Global Network
- Intra-group reinsurance treaties

## Global Network

RSA Re provides a reinsurance function for the international insurance activities of the Group offices and the Global Network partners (Strategic Network Partners), selected insurers which work with the Group. The Global Network also provides local coverage for those parts of the world where the Group does not have approval to write business.

The Global Network facilitates the fronting of risks by the Group entities through servicing offices (Group entities or external Network Partners) via licences to operate in the relevant territory. All producing offices pay a fee to use the network (including external Strategic Network Partners). Membership of the Global Network enables the producing offices to offer wider geographical coverage to their clients. Most of the business written relates to global insurance programmes for multinational entities. The Global Network Team undertake relationship management and business development, with the Central Accounting Unit (CAU), a dedicated team undertaking reconciliation of reinsurance activity, contributing to financial reporting for RSA Re, and efficient cash flow.

RSA Re acts as the reinsurer between the producing office (the legal entity which ultimately holds the risk, predominantly Intact UK, and the servicing office (the legal entity which fronts the risk). 100% of the gross premiums are retroceded. RSA Re has a net nil retention in respect of underwriting risk.

## Employees

RSA Re has no direct employees; all services necessary for the above activity being provided by Intact UK under a Master Services Agreement and an Internal Model Agreement.

## Business strategy

RSA Re has adopted the Group business strategy, our ambition is to build on the Group's strengths to deliver a consistently outperforming underwriting result. We have six key areas of strategic focus to achieve outperformance, of which five are applicable to RSA Re:

- Leading customer experiences: Customers are at the heart of everything we do. We aim for continuous improvement of experiences and outcomes.
- Expand broker distribution: Through strengthening and deepening our relationships with brokers.
- Optimise underwriting for outperformance: With market leading pricing, underwriting and claims capability.
- Responsive and agile technology and operations: By simplifying business channels and processes to improve our efficiency.
- Look after tomorrow: We seek to be recognised as leaders in building resilient communities and delivering net zero.

## Performance information

Section A of this Appendix provides information about the business and performance of RSA Re, covering in particular the performance from underwriting and investment activities.

Performance figures in Section A of this Appendix have been prepared in accordance with the same accounting standards used for RSA Re's financial statements.

# A.1 Business

## A.1.1 Company name & legal form

RSA Re is a private limited company incorporated in England and Wales.

## A.1.2 Supervisory authority

The PRA is the authority responsible for prudential supervision of RSA Re. The contact details of the PRA are in Section A.1.2 in RSAIG's SFCR.

## A.1.3 External auditor

RSA Re's external auditor is Ernst & Young LLP. See Section A.1.3 in the Group SFCR for contact details.

## A.1.4 Holders of qualifying holdings

The sole shareholder is Intact UK.

## A.1.5 Position within the Group legal structure

RSA Re's immediate parent company is Intact Insurance UK Limited, a company incorporated in England and Wales. RSA Re's ultimate parent and controlling party is Intact Financial Corporation, a company incorporated in Canada.

## A.1.6 Material related undertakings

RSA Re has no subsidiaries or branches.

## A.1.7 Simplified Group structure

See Section A.1.7 of the RSAIG SFCR.

### A.1.8 Business lines and geographical areas

RSA Re's material lines of business and the material geographical areas where it has carried out business during the year are detailed in the table below:

| Geographic regions |
|---|
| UK |
| **Line of businesses – non-life** |
| Marine, aviation and transport |
| Fire and damage to property |
| General liability |
| Non Proportional- property |
| Non Proportional - casualty |

### A.1.9 Significant events

Nothing to report.

## A.2 Underwriting performance

RSA Re's activities are focused on the internal reinsurance programme and Global Network business. 100% of the gross premiums are retroceded and RSA Re has nil retention in respect of underwriting risk. Management of the treaties has been outsourced to Intact UK. RSA Re's underwriting profit for the year, excluding IFRS 17 accounting adjustments (discounting and risk of non-performance), was nil (2024: nil). All business is underwritten in the UK.

## A.3 Investment performance

The information in this section of the report is taken from the RSA Re Annual Report and Accounts.

### A.3.1 Income and expenses by class

Asset classes shown in this section follow the definitions used in RSA Re's Annual Report and Accounts which may differ from the definitions used in Section D (Valuation for Solvency Purposes) of this Appendix.

| For the years ended 31 December | **2025**<br>**£000** | 2024<br>£000 |
|---|---|---|
| Interest income calculated using the effective interest method: | | |
| Debt securities classified as FVTOCI | **1,562** | 1,519 |
| Loans and cash and cash equivalents at amortised cost | **2** | 2 |
| Interest or similar income on securities classified or designated as FVTPL | **1,158** | 1,284 |
| **Investment income** | **2,722** | 2,805 |

### A.3.2 Gains and losses recognised in equity

Fair Value Through Other Comprehensive Income (FVTOCI) assets net of tax were £250k (2024: £1,196k).

Gains and losses recognised in the income statement for financial instruments are as follows:

| For the years ended 31 December | **2025 Fixed income £000** | 2024 Fixed income £000 |
|---|---|---|
| **Net gains (losses) from:** | | |
| Financial instruments: | | |
| Classified as FVTOCI | **51** | 1,594 |
| Classified as FVTPL | **283** | 890 |
| | **334** | 2,484 |
| Net foreign currency losses | **(2,996)** | (6,368) |
| ECL expense[1] | **-** | (15) |
| | **(2,662)** | (3,899) |

[1] ECL expense is not significant due to the high credit quality of the investment portfolio.

### A.3.3 Investments in securitisation

RSA Re has no exposure to securitised investments.

## A.4 Performance of other activities

### A.4.1 Other material income & expenses

For details of other material income and expenses, see notes 15,16 and 20 of the RSA Re financial statements.

### A.4.2 Operating and finance leasing arrangements

RSA Re has no material operating or finance leases.

# B. System of Governance

## B.1 General information on the System of Governance

### RSA Re's System of Governance

RSA Re has adopted the RSAIG and Intact UK System of Governance as more fully described in Section B in the main body of the report.

### Board and committees

As at 31 December 2025, the RSA Re Board comprised:

Chair (UK&I Chief Risk Officer)
Chief Executive Officer (UK&I Managing Director UK Specialty Lines)
Chief Finance Officer (UK&I Chief Finance Officer)
Chief Underwriting Officer (UK&I Chief Underwriting Officer)

The Board is accountable to RSA Re's ultimate shareholder, IFC, for the creation and delivery of strong sustainable performance and the creation of long-term shareholder value, while having regard to RSA Re's other stakeholders. The Board meets quarterly and there is an additional meeting to approve SUK submissions. The Board is responsible for organising and directing the affairs of RSA Re in a manner that will promote the success of RSA Re and is consistent with good corporate governance practice, ensuring that in carrying out its duties RSA Re meets legal and regulatory requirements.

The Board oversees the business of RSA Re. It may exercise all the powers of the company subject to the Articles of Association, the Board's Terms of Reference, relevant laws, and any directions as may be given by shareholder resolution. The directors of RSA Re have access to the services and advice of the UK&I General Counsel and Company Secretary, Corporate Audit Services, the Compliance Function, the Risk Function, and the Actuarial Function. In addition, directors may take independent professional advice at the expense of RSA Re in furtherance of their duties.

The Board's Terms of Reference sets out matters which are reserved for RSA Re's Board and those matters which are reserved to the RSA Re's shareholder, Intact UK, for approval.

The Intact UK Board Risk Committee and Audit Committee operate on behalf of RSA Re. The Intact UK Board Risk Committee oversees the investment policy and strategy on behalf of RSA Re, including the operation of the investment portfolios within established strategy and risks frameworks.

The RSA Re Board remains responsible for RSA Re's System of Governance.

At the current time, there are no RSA Re Board level committees.

There is a standing agenda of items for RSA Re Board meetings, the contents of which are regularly refreshed. All decisions are documented by the Company Secretariat. The Board reviews RSA Re's financial performance through regular reports, including quarterly capital updates and a quarterly presentation on actual performance against plan and a previous financial year comparison. The Board approves the corporate budget (Operational Plan). Board approval of the outsourcing of the Key Governance Functions and other critical functions and important activities, and Board review of the performance of these functions and activities provided by the service provider, are required at least annually.

RSA Re Board meetings are held in a combined session with the meeting of the MIC Board.

### Effectiveness of the RSA Re Board

The Board has implemented an effectiveness review process which is undertaken periodically to ensure that the Board is operating effectively.

### Key Governance Functions

All of the Key Governance Functions have been outsourced to Intact UK. The RSA Re Board's Terms of Reference require it to ensure each key governance function is suitable, effective and proportionate to the nature, scale and complexity of RSA Re's business.

The RSA Re Board's Terms of Reference explicitly note the right of the Heads of the Key Governance Functions to have direct access to the RSA Re Board at all times and for a private meeting with the directors at least annually.

### Remuneration

RSA Re has adopted the Intact UK remuneration framework and aligns to general principles and standards set by Intact UK. These are contained in the Intact UK Remuneration Policy.

RSA Re's directors receive no remuneration for their services as directors of this company. They receive remuneration for their services to the Group as a whole.

### Changes during 2025

There were no changes to the RSA Re System of Governance over the 2025 year. For all other changes see Section B.1.3 of the Group SFCR.

### Shareholder/Board transactions

There are no material transactions to report.

## B.2 Fit and proper requirements

The Fitness and Propriety Governance Document and certain HR policies provide a framework for assessment of fitness and propriety of both new and on-going appointees within its scope. The policies apply to the Executive Management, Key Governance Functions, and the directors. Intact UK, RSA Re's service provider, applies the Fitness and Propriety Policy and the relevant HR policies.

See Section B.2 within the Group SFCR for details of the Group fit and proper requirements.

## B.3 Risk management system including the own risk and solvency assessment

RSA Re has outsourced its risk management system to Intact UK, which has adopted the Group's risk management system. See Section B.3 within the Group SFCR for details of the Group's Risk Management System.

## B.4 Internal control system

RSA Re has outsourced its internal control system to Intact UK, which has adopted the Group Internal Control System. See Section B.4 within the Group SFCR for details of the Group's internal control system.

## B.5 Internal audit function

See Section B.5 within the Group SFCR for details of the Group's internal audit function.

This approach is applied to the plans for RSA Re. CAS provides its audit plans and quarterly updates on progress against plans; the outcomes of its work; and progress against issues to the RSA Re Board.

## B.6 Actuarial function

RSA Re operates within the same risk appetite and operational control environments as Intact UK. The scope of the Actuarial Function is hence covered by Intact UK and the Group's Actuarial Function documentation.

The Group Actuarial Function Holder is also the Actuarial Function Holder for RSA Re. On an annual basis, the RSA Re Actuarial Function produces Actuarial Function reports summarising the key conclusions of the Actuarial Function's work covering RSA Re and these are presented to the RSA Re Board.

See Section B.6 within the Group SFCR for details of the Group's Actuarial Function.

## B.7 Outsourcing

RSA Re has no employees and has outsourced its operations to its immediate parent company, Intact UK. Intact UK provides all services to RSA Re, including the Key Governance Functions and activities deemed critical and important.

## B.8 Any other information

Nothing to report.

# C. Risk Profile

RSA Re has outsourced its risk management system to Intact UK, which has adopted the Group risk management system.

Material issues are escalated to the RSA Re Board by management and/or the Risk Function. The risks are a combination of the relevant Group risks and additional material risks specific to RSA Re (e.g. Global Network). In this way, the RSA Re Board can oversee and control the activities of its business.

The remainder of this section outlines the key risks applicable to RSA Re's business. Other risks, for example investment risk, are managed by Intact UK in its capacity as the service provider. For full risk profile details, see Section C in the main body of the report which sets out the Group's risk profile. RSA Re is covered by the treaty and facultative protection described in Section C.1.6 in the Group SFCR. Liquidity risk concentrations are considered immaterial for RSA Re.

## Currency risk

RSA Re is exposed to currency risk as a result of the business carried out by the Group's offices and Global Network partners being denominated in overseas currency. This means that a large proportion of the company's assets are held in foreign currency. If the value of Sterling strengthens, then the value of non-Sterling net assets will decline when translated into Sterling.

## Credit risk

RSA Re is exposed to credit risk in respect of other group companies and Global Network Partners. This risk is integrated within and managed together with the other principal risks of the Group.

RSA Re has a credit risk insurance policy with Intact UK which is assessed annually and protects it against loss of reinsurance recoverables due to third party reinsurer insolvency.

Debtor credit risk is managed through tight credit control by the CAU.

## Operational risk

RSA Re is exposed to Operational risks as described for the Group in Section C.5.3 in the Group SFCR.

The Master Services Agreement mitigates most of the operational risks. However, RSA Re is exposed to regulatory risk in respect of changes in its operating environment or breaches of regulation/failure to renew licences. For the former, we mitigate risk by monitoring changes in regulation through engagement with local partners and use of AXCO as an industry standard provider of regulatory insight and responding accordingly. The latter is controlled through a combination of Group functions and procedures plus a centrally managed licensing register being held by the Network team. Licence renewal dates are diarised.

As there are limited residual risks within RSA Re, the impact of operational risk is minimal, and a detailed sensitivity analysis has not been deemed necessary.

# D. Valuation for Solvency Purposes

The statutory accounts values shown in this section are prepared in accordance with IFRS, the accounting standards used for RSA Re's financial statements. All basis of preparation descriptions referring to IFRS in Section D in the Group SFCR apply equally to RSA Re.

For further details of the accounting policies adopted for the purposes of preparing statutory accounts, see the accounting policies section of RSA Re's financial statements.

RSA Re has no retirement benefit obligations, owns no property, has no derivative instruments and has no subordinated debt.

Section D is subject to external audit, with the exception of the text and figures relating to Risk Margin. These are excluded from the scope of external audit as they are derived from the internal model used to calculate RSA Re's Solvency Capital Requirement which is also unaudited. See Appendix 6 for further details of the scope of the external audit.

## RSA Re SUK balance sheet

The assets as per the SUK balance sheet at the valuation date are as follows:

| | Financial statements note | Financial statements value £'000 | Solvency UK value £'000 | Variance £'000 | Group SFCR section |
|---|---|---|---|---|---|
| Deferred tax assets | 17 | **158** | **158** | **-** | D.1.1.4 |
| Investments (other than assets held for index-linked and unit-linked contracts) | 6 | **69,661** | **70,013** | **352** | |
| *Bonds* | 6 | **69,661** | **70,013** | **352** | D.1.1.9 |
| Reinsurance recoverables | 10 | **361,786** | **294,573** | **(67,213)** | D.2 |
| Insurance and intermediaries receivables | | **-** | **3,105** | **3,105** | D.1.1.9 |
| Reinsurance receivables | | **-** | **19,280** | **19,280** | D.1.1.9 |
| Receivables (trade, not insurance) | | **18,965** | **18,970** | **5** | D.1.1.9 |
| Cash and cash equivalents | 6 | **52** | **47** | **(5)** | D.1.1.9 |
| Any other assets, not elsewhere shown | | **352** | **-** | **(352)** | D.1.1.9 |
| **Total assets** | | **450,974** | **406,146** | **(44,828)** | |
| | | | | | |
| Technical provisions | 10 | **366,945** | **292,845** | **(74,100)** | D.2 |
| Insurance & intermediaries payables | | **-** | **20,801** | **20,801** | D.3.1.1 |
| Reinsurance payables | | **-** | **8,707** | **8,707** | D.3.1.1 |
| Payables (trade, not insurance) | | **88** | **88** | **-** | D.3.1.1 |
| Any other liabilities, not elsewhere shown | | **257** | **257** | **-** | D.3.1.1 |
| **Total liabilities** | | **367,290** | **322,698** | **(44,592)** | |
| | | | | | |
| **Excess of assets over liabilities** | | **83,684** | **83,448** | **(236)** | |

## D.1.1 Valuation of assets and liabilities

The assets and liabilities of RSA Re are valued in accordance with the Valuation Part of the PRA Rulebook applicable to SUK firms. The bases, methods and main assumptions used in valuing those assets are the same as those used for RSAIG, refer to Section D.1 and D.3 of the Group SFCR for further details.

Any other assets not elsewhere shown; Includes tax recoverable and accrued interest. Accrued interest is reclassified from other debtors to the relevant instrument under SUK.

## D.1.2 Analysis of deferred tax

An analysis of deferred tax on a SUK basis is detailed below:

| **Deferred Tax** | **Asset £'000** | **Liability £'000** |
|---|---|---|
| Deferred tax assets | **158** | **-** |

The following are the major deferred tax assets recognised by RSA Re:

| | **£'000** |
|---|---|
| Net unrealised loss on investments | **(84)** |
| Transitional relief on IFRS9 assets | **242** |
| Net deferred tax position at 31 December | **158** |

The utilisation of the Company's net deferred tax asset of £158,000 is largely dependent on the availability of future taxable profits. The evidence for the future taxable profits is a forecast consistent with the three year operational plans prepared by the relevant businesses, which are subject to internal review and challenge by senior management and the Board. Additional assurance is obtained from the recognition of deferred tax for IFRS purposes by the UK group of companies being subject to discussion and challenge by the Audit Committee. Where relevant, the forecast includes extrapolations of the operational plans using assumptions consistent with those in the plans.

No deferred tax has been recognised in respect of £235,000 of SUK adjustments as there is insufficient certainty that adequate future profits will be available.

In addition, the Company has deductible temporary differences of £100,000 for which no deferred tax has been recognised.

The procedure for providing SUK deferred tax figures for the Company utilises a walkthrough bridge from the figures reported on an IFRS basis in the Company's financial statements. A tax analysis of valuation adjustments made to the statutory accounts balances is performed in arriving at the SUK balance sheet. Where these valuation adjustments give rise to a new temporary difference under IAS 12, the recognition of a deferred tax asset or liability is considered in accordance with IFRS principles and SUK guidance, including an assessment of the availability of future profits in the case of a deferred tax asset.

# D.2 Technical provisions

The gross provisions of RSA Re are fully reinsured, so at a net level the company's exposure is close to £nil. The difference between the SUK technical provisions and the IFRS equivalent is largely driven by the difference in the treatment of premium and claims creditor/debtor balances within the two valuation bases as outlined in Section D.2.1 of the Group SFCR, and inclusion of risk margin within the SUK provisions. For reasons of proportionality, there is no allowance made for BBNI in the technical provisions for RSA Re.

| | | SUK Net technical provisions | | Statutory | |
|---|---|---|---|---|---|
| | | Best estimate £'000 | Risk margin £'000 | accounts value £'000 | Difference £'000 |
| Direct business and accepted proportional reinsurance | Marine, aviation and transport | **(227)** | **1** | **689** | **(915)** |
| | Fire and other damage to property | **(1,325)** | **5** | **651** | **(1,971)** |
| | General liability | **(401)** | **7** | **78** | **(472)** |
| Accepted non-proportional reinsurance | Non-proportional property RI | **-** | **1** | **1,792** | **(1,791)** |
| | Non-proportional casualty RI | **209** | **2** | **1,949** | **(1,738)** |
| **Total** | | **(1,744)** | **16** | **5,159** | **(6,887)** |

## Uncertainties and contingencies

The uncertainties and contingencies referred to in Section D.2.3 of the Group SFCR are also applicable to RSA Re.

# D.3 Other liabilities

Nothing to report.

# D.4 Alternative methods for valuation

There are no material assets and liabilities valued using alternative valuation methods.

# E. Capital Management

# E.1 Own funds

## E.1.1 Objectives, policies, processes and material changes

Section E is subject to external audit, with the exception of any text or figures which are, or derive from, the internally modelled Solvency Capital Requirement. See Appendix 6 for further details of the scope of the external audit.

Information on the Group's capital management is contained in Section E within the Group SFCR.

### Analysis of significant changes in own funds

The reconciliation reserve has increased in value during the year predominantly driven by favourable movements in the available for sale reserve, and valuation of SUK technical provisions.

Tier 3 capital reduced by £228k during the year.

## E.1.2 Structure, amount and quality of own funds

### Capital composition

The capital structure of RSA Re by tier as at 31 December 2025 is as per the table below.

| | | **2025 £'000** | 2024 £'000 |
|---|---|---|---|
| Tier 1 Unrestricted | Equity capital (including Share Premium) | **70,000** | 70,000 |
| | Reconciliation reserve | **13,290** | 10,344 |
| | | **83,290** | 80,344 |
| Tier 3 | Net deferred tax asset | **158** | 386 |
| | **Total Own Funds** | **83,448** | 80,730 |

## E.1.3 Eligible own funds to cover the SCR

### Basic own funds to eligible own funds

A basic own funds to eligible own funds to cover the SCR reconciliation for RSA Re is shown below. No capital is deemed to be non-available to meet the SCR within RSA Re's own funds.

| | Basic Own Funds £'000 | Availability restrictions £'000 | Available Own Funds £'000 | Eligibility restrictions £'000 | Eligible Own Funds £'000 | Eligibility Capacity £'000 | Eligibility rule |
|---|---|---|---|---|---|---|---|
| Tier 1 | **83,290** | **-** | **83,290** | **-** | **83,290** | | |
| Tier 3 | **158** | **-** | **158** | **-** | **158** | **9,426** | **Tier 2 + Tier 3 up to 50% SCR** |
| **Total** | **83,448** | **-** | **83,448** | **-** | **83,448** | | |
| | | | | **SCR** | **18,851** | | |
| | | | | **Surplus** | **64,597** | | |
| | | | | **SCR Coverage** | **443%** | | |

## E.1.4 Eligible own funds to cover the MCR

A basic own funds to eligible own funds to cover the MCR reconciliation for RSA Re is shown below:

| | Basic Own Funds £'000 | Availability restrictions £'000 | Available Own Funds £'000 | Eligibility restrictions £'000 | Eligible Own Funds £'000 | Eligibility Capacity £'000 | Eligibility rule |
|---|---|---|---|---|---|---|---|
| Tier 1 | **83,290** | **-** | **83,290** | **-** | **83,290** | | |
| Tier 2 | **-** | **-** | **-** | **-** | **-** | **943** | **Tier 2 up to 20% of MCR** |
| Tier 3 | **158** | **(158)** | **-** | **-** | **-** | | **Ineligible** |
| **Total** | **83,448** | **(158)** | **83,290** | **-** | **83,290** | | |
| | | | | **MCR** | **4,713** | | |
| | | | | **Surplus** | **78,577** | | |
| | | | | **MCR Coverage** | **1767%** | | |

## E.1.5 Differences between equity and net assets

Following on from Section D, SUK basic own funds are calculated in the following table:

| | £'000 |
|---|---|
| Excess of assets over liabilities (see Section D) | **83,448** |
| **SUK Basic Own Funds** | **83,448** |

# E.2 Solvency capital requirement and minimum capital requirement

## E.2.1 SCR and MSCR

As at 31 December 2025 RSA Re's SCR was £18,851k and the MCR £4,713k.

### Movements in the SCR

The SCR has reduced over the year due to a reduction in market risk driven by a reduction in collateral requirements over 2025.

### Movements in the MCR

The MCR is broadly unchanged over the year.

### Deferred tax

Deferred tax assets of £158k are included in available own funds.

For details on the availability and eligibility of deferred tax assets, see Sections E.1.3 and E.1.4 of the Group SFCR.

# E.3 Differences between the standard formula and any Internal Model used

For information regarding the Internal Model refer to Section E.3 of the Group SFCR.

# E.4 Non-compliance with the MCR and non-compliance with the SCR

RSA Re has been fully compliant with its SCR and MCR during the reporting period.

# E.5 Any other information

Nothing to report.

# Appendix 4. The Marine Insurance Company Limited Solo SFCR Sections

## Summary

The principal activity of the Company is the writing of marine, transport, construction, engineering, renewable energy, casualty and wholesale international property insurance business in the United States.

With effect from 1 January 2012, MIC entered into a 100% quota share agreement with Intact UK under which the insurance risk of MIC's business is transferred to Intact UK. The company receives a reinsurance commission in relation to the quota share agreement, which is determined by reference to gross premium written.

The Group SFCR meets the regulatory requirement for public disclosure in respect of Intact UK, RSA Re and MIC. As mentioned in the introduction in the Group SFCR, Intact UK, RSA Re and MIC are legal entities meeting all regulatory and governance requirements and their individual risk profile and capital requirements are monitored to ensure ongoing regulatory compliance. However, the Group does not manage each entity as an individual business and does not set individual business strategies. In light of this, it is important for the reader to understand that the focus of the Group SFCR is the activities of the Group as a whole.

# A. Business and Performance

MIC is the Group vehicle for the writing of United States (US) Surplus Lines risks. MIC is registered with the US National Association of Insurance Commissioners (NAIC) as an eligible surplus lines alien insurer. The registration is renewed annually following authorisation by the MIC Board. The actual underwriting is undertaken by London based personnel. In those States where certain classes of non-admitted business such as marine are exempt from the surplus lines regulations the business is written by Intact UK, however, there are exceptions considered on a case-by-case basis where business of this type is written by MIC.

With effect from 1 January 2012, MIC entered into an excess of loss agreement and a quota share arrangement with Intact UK under which the insurance risk of MIC's business is transferred to Intact UK. The excess of loss reinsurance covers business written pre-2012, while the 100% quota share arrangement has applied to business written since the beginning of 2012. Following the transfer of nearly all of MIC's insurance risk to Mercantile Indemnity Company Ltd on 1 July 2019, the excess of loss reinsurance was commuted on 1 September 2019 and the quota share extended to cover any residual insurance liabilities retained by MIC for business written pre-2012. Therefore 100% of MIC's insurance liabilities are reinsured to Intact UK under the quota share from 1 September 2019. MIC received a commission of 2% during the year, in relation to the quota share arrangement which is determined by reference to the gross written premium of the business.

MIC has no direct employees; all services necessary for the above activity are provided by Intact UK under a Master Services Agreement and an Internal Model Services Agreement.

## Business strategy

MIC has adopted the Group business strategy; our ambition is to build on the Group's strengths to deliver a consistently outperforming underwriting result. We have six key areas of strategic focus to achieve outperformance, of which five are applicable to MIC:

- Leading customer experiences: Customers are at the heart of everything we do. We aim for continuous improvement of experiences and outcomes.
- Expand broker distribution: Through strengthening and deepening our relationships with brokers.
- Optimise underwriting for outperformance: With market leading pricing, underwriting and claims capability.
- Responsive and agile technology and operations: By simplifying business channels and processes to improve our efficiency.
- Look after tomorrow: We seek to be recognised as leaders in building resilient communities and delivering net zero.

## Performance information

Section A of this Appendix provides information about the business and performance of MIC, covering in particular the performance from underwriting and investment activities.

Performance figures in Section A of this Appendix have been prepared in accordance with the same accounting standards used for MIC's financial statements.

# A.1 Business

## A.1.1 Company name & legal form

MIC is a private limited company incorporated in England and Wales.

## A.1.2 Supervisory authority

The PRA is the authority responsible for prudential supervision of MIC. The contact details of the PRA are in Section A.1.2 in the Group SFCR.

## A.1.3 External auditor

MIC's external auditor is Ernst & Young LLP. See Section A.1.3 in the Group SFCR for contact details.

## A.1.4 Holders of qualifying holdings

The sole shareholder is Intact UK.

## A.1.5 Position within the Group legal structure

MIC's immediate parent company is Intact Insurance UK Limited, a company incorporated in England and Wales. MIC's ultimate parent and controlling party is Intact Financial Corporation, a company incorporated in Canada.

## A.1.6 Material related undertakings

MIC has no subsidiaries. See Appendix 1 for a list of all MIC's branches. No branches are material.

## A.1.7 Simplified Group structure

See Section A.1.7 in the Group SFCR.

## A.1.8 Business lines and geographical areas

MIC's material lines of business and the material geographical areas where it has carried out business during the year are detailed in the table below:

| **Geographic regions** |
|---|
| UK |
| **Lines of business – non-life** |
| Marine, aviation and transport |
| Fire and other damage to property |
| General liability |

## A.1.9 Significant events

Nothing to report.

# A.2 Underwriting performance

MIC is the Group vehicle for the writing of US Surplus Lines risks. With effect from 1 January 2012, MIC entered into an excess of loss agreement and a quota share arrangement with Intact UK under which the insurance risk of MIC's business is transferred to Intact UK. The excess of loss reinsurance covers business written pre-2012, while the 100% quota share arrangement has applied to business written since the beginning of 2012. Following the transfer of nearly all of MIC's insurance risk to Mercantile Indemnity Company Ltd on 1 July 2019, the excess of loss reinsurance was commuted on 1 September 2019 and the quota share extended to cover any residual insurance liabilities retained by MIC for business written pre-2012. Therefore 100% of MIC's insurance liabilities are reinsured to Intact UK under the quota share from 1 September 2019. MIC receives a commission of 2% in relation to the quota share arrangement which is determined by reference to the gross written premium of the business.

The underwriting result for the period by material SUK lines of business is shown below and is calculated on the same basis as the MIC underwriting result as shown in the Alternative Performance Measures section of its financial statements. All business is underwritten in the UK.

| | Underwriting Result | |
|---|---|---|
| | **2025** | 2024 |
| | **£'000** | £'000 |
| **Non-life** | | |
| Marine, aviation and transport | **1,599** | 1,919 |
| Fire and other damage to property | **706** | 683 |
| General liability | **(611)** | (840) |
| **Total** | **1,694** | 1,762 |

# A.3 Investment performance

The information in this section of the report is taken from the MIC Annual Report and Accounts.

## A.3.1 Income and expenses by class

Asset classes shown in this section follow the definitions used in MIC's Annual Report and Accounts which may differ from the definitions used in Section D (Valuation for Solvency Purposes) of this Appendix.

| Years ended 31 December | **2025**<br>**£000** | 2024<br>£000 |
|---|---|---|
| Interest income calculated using the effective interest method: | | |
| Debt securities designated or classified as FVTOCI | **659** | 615 |
| Loans and cash and cash equivalents | **63** | 1,007 |
| Interest or similar income on securities designated as FVTPL | **864** | 18 |
| **Investment income** | **1,586** | 1,640 |

## A.3.2 Gains and losses recognised in equity

Fair value gains on Fair Value Through Other Comprehensive Income (FVTOCI) assets net of tax were £240k (2024: £15k).

Gains and losses recognised in the income statement for financial instruments are as follows:

| For the years ended 31 December | **2025**<br>**Fixed income**<br>**£000** | 2024<br>Fixed income<br>£000 |
|---|---|---|
| **Net gains (losses) from:** | | |
| Financial instruments: | | |
| Classified as FVTOCI | **-** | 20 |
| Classified as FVTPL | **471** | 6 |
| | **471** | 26 |
| Net foreign currency (losses) gains | **(2,918)** | 296 |
| ECL expense[1] | **(9)** | - |
| | **(2,456)** | 322 |

[1] ECL expense is not significant due to the high credit quality of the investment portfolio.

## A.3.3 Investments in securitisation

MIC has no exposure to securitised investments.

# A.4 Performance of other activities

## A.4.1 Other material income & expenses

For details of other material income and expenses, see notes 14,15 and 19 of the MIC financial statements.

## A.4.2 Operating and finance leasing arrangements

MIC has no material operating or finance leases.

# B. System of Governance

## B.1 General information on the System of Governance

### MIC's System of Governance

MIC has adopted the RSAIG and Intact UK System of Governance as more fully described in Section B in the main body of the report.

### Board and committees

As at 31 December 2025, the MIC Board comprised:

Chair (UK&I Chief Risk Officer)
Chief Executive Officer (UK&I Managing Director UK Specialty Lines)
Chief Finance Officer (UK&I Chief Finance Officer)
Chief Underwriting Officer (UK&I Chief Underwriting Officer)

The Board is accountable to MIC's ultimate shareholder, Intact, for the creation and delivery of strong sustainable performance and the creation of long-term shareholder value, while having regard to Intact UK's other stakeholders. The Board meets quarterly and there is an additional meeting to approve SUK submissions. The Board is responsible for organising and directing the affairs of MIC in a manner that will promote the success of MIC and is consistent with good corporate governance practice, ensuring that in carrying out its duties MIC meets legal and regulatory requirements.

The Board approves the corporate budget (known as the "Operational Plan"), and a business plan is submitted to the US NAIC.

The Board oversees the business of MIC. It may exercise all the powers of the company subject to the Articles of Association, the Board's Terms of Reference, relevant laws, and any directions as may be given by shareholder resolution. The directors of MIC have access to the services and advice of the UK&I General Counsel and Company Secretary, Corporate Audit Services, the Compliance Function, the Risk Function, and the Actuarial Function. In addition, directors may take independent professional advice at the expense of MIC in furtherance of their duties.

The Board's Terms of Reference sets out matters which are reserved for MIC's Board and those matters which are reserved to MIC's shareholder, Intact UK, for approval.

The Intact UK Board Risk Committee and Audit Committee operate on behalf of MIC. The Intact UK Board Risk Committee oversees the investment policy and strategy on behalf of MIC, including the operation of the investment portfolios within established strategy and risks frameworks.

The MIC Board remains responsible for MIC's System of Governance.

At the current time, there are no MIC Board level committees.

There is a standing agenda of items for MIC Board meetings, the contents of which are regularly refreshed. All decisions are documented by the UK&I Company Secretariat. The Board reviews MIC's financial performance through regular reports, including quarterly capital updates and a quarterly presentation on actual performance against plan and a previous financial year comparison. Board approval of the outsourcing of the Key Governance Functions and other critical functions and important activities, and Board review of the performance of these functions and activities provided by the service provider, are required at least annually.

MIC Board meetings are held in a combined session with the meeting of the RSA Re Board.

### Effectiveness of the MIC Board

The Board has implemented an effectiveness review process which is undertaken periodically to ensure that the Board is operating effectively.

### Key Governance Functions

The MIC Board's Terms of Reference requires it to ensure each Key Governance Function is suitable, effective and proportionate to the nature, scale and complexity of MIC's business.

MIC has no direct employees and has outsourced almost all of its operations to Intact UK, which is the employer of all Group staff in the UK. Intact UK provides almost all services to MIC, including the Key Governance Functions and activities deemed critical and important. There is a Master Services Agreement and Internal Model Services Agreement in place between the two companies. The MIC Board's Terms of Reference explicitly notes the right of the Heads of the Key Governance Functions to have direct access to the MIC Board at all times and for a private meeting with the directors at least annually.

### Remuneration

MIC has adopted the Intact UK remuneration framework and aligns to general principles and standards set by Intact UK. These are contained in the Intact UK Remuneration Policy.

MIC's directors receive no remuneration for their services as directors of this company. They receive remuneration for their services to the Group as a whole.

### Changes during 2025

There were no changes to the MIC System of Governance over the 2025 year. For all other changes see Section B.1.3 of the Group SFCR.

### Shareholder/Board transactions

There are no material transactions to report.

## B.2 Fit and proper requirements

The Fitness and Propriety Governance Document and certain HR policies provide a framework for assessment of fitness and propriety of both new and on-going appointees within its scope. The policies apply to the Executive Management, Key Governance Functions, and the directors. Intact UK, MIC's service provider, applies the Fitness and Propriety Policy and the relevant HR policies.

See Section B.2 within the Group SFCR for details of the Group fitness and propriety requirements.

## B.3 Risk management system including the own risk and solvency assessment

MIC has outsourced its risk management system to Intact UK, which has adopted the Group's risk management system. See Section B.3 within the Group SFCR for details of the Group's Risk Management System.

## B.4 Internal control system

MIC has outsourced its internal control system to Intact UK, which has adopted the Group Internal Control System. See Section B.4 within the Group SFCR for details of the Group's internal control system.

## B.5 Internal audit function

See Section B.5 within the Group SFCR for details of the Group's Internal Audit function.

This approach is applied to the plans for MIC. CAS provides its audit plans and quarterly updates on progress against plans; the outcomes of its work; and progress against issues to the MIC Board.

## B.6 Actuarial function

MIC operates within the same risk appetite and operational control environments as Intact UK. The scope of the Actuarial Function is hence covered by Intact UK and the Group Actuarial Function documentation.

The Group Actuarial Function Holder is also the Actuarial Function Holder for MIC. On an annual basis, the MIC Actuarial Function Holder produces Actuarial Function reports summarising the key conclusions of the Actuarial Function's work covering MIC and these are presented to the MIC Board.

See Section B.6 within the Group SFCR for details of the Group's actuarial function.

## B.7 Outsourcing

MIC has no employees and has outsourced its operations to its immediate parent company, Intact UK. Intact UK provides all services to MIC, including the Key Governance Functions and activities deemed critical and important.

## B.8 Any other information

Nothing to report.

# C. Risk Profile

MIC has outsourced its risk management system to Intact UK, which has adopted the Group risk management system.

Material issues are escalated to the MIC Board by management and/or the Risk Function. This information is a combination of data from the UK risk profile and more granular Commercial and Marine risk profiles. The risks are a combination of the relevant Group risks and additional material risks specific to MIC. In this way, the MIC Board is able to oversee and control the activities of its business.

The remainder of this section outlines the key risks applicable to MIC's business. Other risks, for example, investment risk, are managed by Intact UK in its capacity as the service provider. For full risk profile details, see Section C in the main body of the report, which sets out the Group's risk profile.

## Market and Currency risk

The principal risk to MIC is market risk. Its investment portfolio is fully allocated to U.S. government bonds. The concentration in a single asset class heightens exposure to interest rate movements. MIC remains exposed to currency risk from exchange rate fluctuations, as it continues to underwrite direct marine, aviation, transport and renewable energy insurance business in the US which is denominated in foreign currency. This means that a significant proportion of the company's assets are still held in foreign currency. Consequently, if the value of Sterling strengthens, then the value of non-Sterling net assets will decline when translated into Sterling.

## Credit risk

MIC has credit risk exposure to Intact UK, and in the event of the failure of Intact UK, the negation of the reinsurance protection and ceded insurance. The MIC Board pays close attention to the creditworthiness of Intact UK and has the option not to extend the quota share agreement.

## Operational risk

MIC is exposed to Operational risks as described for the Group in Section C.5.3 in the Group SFCR.

The Master Services Agreement combined with the reinsurance arrangement with Intact UK mitigate most of the operational risks. However, MIC is exposed to regulatory risk in respect of changes in its operating environment (which it cannot mitigate) or breaches of regulation/failure to renew licences. The latter is controlled through a combination of Group functions. The risk of failing to maintain sufficient regulatory capital or meet US trust fund requirements is controlled through careful monitoring and reporting to the MIC Board.

As there are limited residual risks within MIC, the impact of operational risk is minimal, and a detailed sensitivity analysis has not been deemed necessary.

# D. Valuation for Solvency Purposes

The statutory accounts values shown in this section are prepared in accordance with IFRS, the accounting standards used for MIC's Annual Report and Accounts. All basis of preparation descriptions referring to IFRS in Section D in the Group SFCR apply equally to MIC.

MIC has no retirement benefit obligations, owns no property, has no derivative instruments and has no subordinated debt.

Section D is subject to external audit, with the exception of the text and figures relating to Risk Margin. These are excluded from the scope of external audit as they are derived from the internal model used to calculate MIC's Solvency Capital Requirement which is also unaudited. See Appendix 6 for further details of the scope of the external audit.

## MIC SUK balance sheet

| | Financial statements note | Statutory accounts value £'000 | Solvency UK value £'000 | Variance £'000 | Group SFCR section |
|---|---|---|---|---|---|
| Deferred tax assets | 16 | 22 | 22 | - | D.1.1.4 |
| Investments (other than assets held for index-linked and unit-linked contracts) | 5 | 39,199 | 39,437 | 238 | |
| *Bonds* | 5 | 39,199 | 39,437 | 238 | D.1.1.9 |
| Reinsurance recoverables | 8 | 173,228 | 163,184 | (10,044) | D.2 |
| Insurance and intermediaries receivables | | - | 3,634 | 3,634 | D.1.1.9 |
| Reinsurance receivables | | - | 713 | 713 | D.1.1.9 |
| Receivables (trade, not insurance) | 9 | 19,427 | 19,427 | - | D.1.1.9 |
| Cash and cash equivalents | 5 | 176 | 176 | - | D.1.1.9 |
| Any other assets, not elsewhere shown | 9 | 238 | - | (238) | D.1.1.9 |
| **Total assets** | | 232,290 | 226,593 | (5,697) | |
| | | | | | |
| Technical provisions | 8 | 151,057 | 145,034 | (6,023) | D.2 |
| Insurance & intermediaries payables | | - | 639 | 639 | D.3.1.1 |
| Reinsurance payables | | - | 623 | 623 | D.3.1.1 |
| Any other liabilities, not elsewhere shown | | 917 | 917 | - | D.3.1.1 |
| **Total liabilities** | | 151,974 | 147,213 | (4,761) | |
| | | | | | |
| **Excess of assets over liabilities** | | 80,316 | 79,380 | (936) | |

## D.1.1 Valuation of assets and liabilities

The assets and liabilities of MIC are valued in accordance with the Valuation Part of the PRA Rulebook applicable to SUK firms. The bases, methods and main assumptions used in valuing those assets are the same as those used for RSAIG, refer to Section D.1 and D.3 of the Group SFCR for further details.

Any other liabilities, not elsewhere shown relates to current taxation, which is valued the same under IFRS and SUK.

## D.1.2 Analysis of deferred tax

An analysis of deferred tax on a SUK basis is detailed below:

| **Deferred Tax** | **Asset £'000** | **Liability £'000** |
|---|---|---|
| Deferred tax assets | **22** | **-** |

The deferred tax asset relates to unrealised losses on investments.

The utilisation of the Company's net deferred tax asset of £22,000 is largely dependent on the availability of future taxable profits. The evidence for the future taxable profits is a forecast consistent with the three year operational plans prepared by the relevant businesses, which are subject to internal review and challenge by senior management and the Board. Additional assurance is obtained from the recognition of deferred tax for IFRS purposes by the UK group of companies being subject to discussion and challenge by the Audit Committee. Where relevant, the forecast includes extrapolations of the operational plans using assumptions consistent with those in the plans.

No deferred tax has been recognised in respect of £1,163,000 of SUK adjustments as there is insufficient certainty that adequate future profits will be available.

The procedure for providing SUK deferred tax figures for the Company utilises a walkthrough bridge from the figures reported on an IFRS basis in the Company's Report & Accounts. A tax analysis of valuation adjustments made to the statutory accounts balances is performed in arriving at the SUK balance sheet. Where these valuation adjustments give rise to a new temporary difference under IAS 12, the recognition of a deferred tax asset or liability is considered in accordance with IFRS principles and SUK guidance, including an assessment of the availability of future profits in the case of a deferred tax asset.

## D.2 Technical provisions

The gross provisions of MIC are fully reinsured, so at a net level the company's exposure is close to £nil. The difference between the SUK technical provisions and the IFRS equivalent is largely driven by the difference in the treatment of premium and claims creditor/debtor balances within the two valuation bases as outlined in Section D.2.1 of the Group SFCR, reinsurance default and inclusion of risk margin within the SUK provisions. For reasons of proportionality, there is no allowance made for BBNI in the technical provisions for MIC.

| | | SUK Net technical provisions | | Statutory | |
|---|---|---|---|---|---|
| | | Best estimate £'000 | Risk margin £'000 | accounts value £'000 | Difference £'000 |
| Direct business and accepted proportional reinsurance | Marine, aviation and transport | **(8,749)** | **6** | **(7,935)** | **(808)** |
| | Fire and other damage to property | **(8,339)** | **14** | **(11,529)** | **3,204** |
| | General liability | **(1,124)** | **42** | **(2,707)** | **1,625** |
| **TOTAL** | | **(18,212)** | **62** | **(22,171)** | **4,021** |

## D.3 Other liabilities

Nothing to report.

## D.4 Alternative methods for valuation

There are no material assets and liabilities valued using alternative valuation methods.

# E. Capital Management

# E.1 Own funds

## E.1.1 Objectives, policies, processes and material changes

Section E is subject to external audit, with the exception of any text or figures which are, or derive from, the internally modelled Solvency Capital Requirement. See Appendix 6 for further details of the scope of the external audit.

Information on capital management, which is carried out at the Group level, is contained in Section E within the Group SFCR.

### Analysis of significant changes in own funds

The reconciliation reserve has increased over the year driven by investment income and reinsurance commissions earned in relation to the internal quota share arrangement with IIUK.

Tier 3 capital has reduced over the year driven by a reduction in deferred tax assets.

## E.1.2 Structure, amount and quality of own funds

### Capital composition

The capital structure of MIC by tier as at 31 December 2025 is as per the table below. MIC does not include any subordinated liabilities in its basic own funds.

| | | **2025**<br>**£'000** | 2024<br>£'000 |
|---|---|---|---|
| Tier 1 Unrestricted | Equity capital (including Share Premium) | **22,333** | 22,334 |
| | Reconciliation reserve | **57,025** | 55,263 |
| | | **79,358** | 77,597 |
| Tier 3 | Net Deferred tax | **22** | 102 |
| | **Total Own Funds** | **79,380** | 77,699 |

## E.1.3 Eligible own funds to cover the SCR

### Basic own funds to eligible own funds

A reconciliation from basic own funds to eligible own funds to cover the SCR for MIC is shown below. No capital is deemed to be unavailable to meet the SCR within MIC's own funds.

| | Basic Own Funds £'000 | Availability restrictions £'000 | Available Own Funds £'000 | Eligibility restrictions £'000 | Eligible Own Funds £'000 | Eligibility Capacity £'000 | Eligibility rule |
|---|---|---|---|---|---|---|---|
| Tier 1 | **79,358** | **-** | **79,358** | **-** | **79,358** | | |
| Tier 3 | **22** | **-** | **22** | **-** | **22** | **4,228** | **Tier 2 + Tier 3 up to 50% of SCR** |
| **Total** | **79,380** | **-** | **79,380** | **-** | **79,380** | | |
| | | | | **SCR** | **8,456** | | |
| | | | | **Surplus** | **70,924** | | |
| | | | | **SCR Coverage** | **939%** | | |

## E.1.4 Eligible own funds to cover the MCR

A reconciliation from basic own funds to eligible own funds to cover the MCR for MIC is shown below:

| | Basic Own Funds £'000 | Availability restrictions £'000 | Available Own Funds £'000 | Eligibility restrictions £'000 | Eligible Own Funds £'000 | Eligibility Capacity £'000 | Eligibility rule |
|---|---|---|---|---|---|---|---|
| Tier 1 | **79,358** | **-** | **79,358** | **-** | **79,358** | | |
| Tier 3 | **22** | **(22)** | **-** | **-** | **-** | | **Ineligible** |
| **Total** | **79,380** | **(22)** | **79,358** | **-** | **79,358** | | |
| | | | | **MCR** | **3,500** | | |
| | | | | **Surplus** | **75,858** | | |
| | | | | **MCR Coverage** | **2267%** | | |

## E.1.5 Differences between equity and net assets

Following on from Section D, SUK basic own funds are calculated in the following table:

| | £'000 |
|---|---|
| Excess of assets over liabilities (see Section D) | **79,380** |
| **SUK Basic Own Funds** | **79,380** |

# E.2 Solvency capital requirement and minimum capital requirement

## E.2.1 SCR and MSCR

At 31 December 2025 MIC's SCR was £8,456k and the MCR £3,500k, the absolute floor as defined in Rule 3.2 of the Minimum Capital Requirement Part and Rule 4.2 of the Insurance General Application Part of the PRA Rulebook applicable to SUK firms.

### Movements in the SCR

There were no material movements in the SCR over the period.

### Movements in the MCR

There were no material movements in the MCR over the period.

### Deferred tax

Deferred tax assets of £22k are included in available own funds.

For details on the availability and eligibility of deferred tax assets, see sections E.1.3 and E.1.4 of the Group SFCR.

# E.3 Differences between the standard formula and any Internal Model used

For information regarding the Internal Model refer to section E.3 of the Group SFCR.

# E.4 Non-compliance with the MCR and non-compliance with the SCR

MIC has been fully compliant with its SCR and MCR during the reporting period.

Further, MIC is subject to NAIC requirements in order to write surplus lines business in the US. Requirements include maintaining a minimum of US$50m of shareholders equity on a continuous basis. MIC remained compliant with this requirement throughout the reporting period.

# E.5 Any other information

Nothing to report.

# Appendix 5. Directors' Statements in respect of the SFCR

## RSA Insurance Group Limited and Intact Insurance UK Limited

The directors are responsible for ensuring that RSA Insurance Group Limited (Group) SFCR and relevant content for Intact Insurance UK Limited have been properly prepared in all material respects in accordance with the PRA Rules.

The directors are satisfied that:

- Throughout the financial year to 31 December 2025, RSA Insurance Group Limited and Intact Insurance UK Limited have complied in all material respects with the requirements of the PRA Rules as applicable to those entities.
- It is reasonable to believe that, in respect of the period from 31 December 2025 to the date of publication of the SFCR, the Group and Intact Insurance UK Limited have continued so to comply with the PRA rules and will continue so to comply for the remainder of the financial year to 31 December 2026.

By order of the Board,

Karim Hirji
Chief Financial Officer

## Royal & Sun Alliance Reinsurance Limited and The Marine Insurance Company Limited

The directors are responsible for ensuring that the relevant content of the SFCR has been properly prepared in all material respects in accordance with the PRA Rules.

The directors are satisfied that:

- Throughout the financial year to 31 December 2025, Royal & Sun Alliance Reinsurance Limited and The Marine Insurance Company Limited have complied in all material respects with the requirements of the PRA Rules as applicable to the insurer.
- It is reasonable to believe that, in respect of the period from 31 December 2025, to the date of publication of the SFCR, Royal & Sun Alliance Reinsurance Limited and The Marine Insurance Company Limited have continued so to comply with the PRA rules and will continue to comply for the remainder of the financial year to 31 December 2026.

By order of the Board,

Karim Hirji
Director

# Appendix 6. Ernst & Young Audit Report

**Report of the independent external auditor to the Directors of RSA Insurance Group Limited ('the Group') pursuant to Rule 4.1(2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms**

**Report on the Audit of the relevant elements of the Group Solvency and Financial Condition Report**

**Opinion**

Except as stated below, we have audited the following documents prepared by **RSA Insurance Group Limited** ('the Group'), comprising of **RSA Insurance Group Limited** and the authorised insurance entities **Intact Insurance UK Limited ('IIUK')**, **Royal & Sun Alliance Reinsurance Limited ('RSA Re')** and **The Marine Insurance Company Limited ('MIC')** ('the Companies') as at **31 December 2025:**

- The 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Group Solvency and Financial Condition Report of the Group as at **31 December 2025** , including the 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Solo Solvency and Financial Condition Reports of the Companies, presented in Appendices 2, 3 and 4, ('**the Narrative Disclosures subject to audit'**); and
- Group templates IR.02.01.02, IR.22.01.22, IR.23.01.04 and IR.32.01.22 ('**the Group Templates subject to audit'**); and
- Company templates ('**the Company Templates subject to audit'**) of:
  - IIUK: IR.02.01.02, IR.12.01.02, IR.17.01.02, IR.22.01.21, IR.23.01.01 and IR.28.01.01.
  - RSA Re: IR.02.01.02, IR.17.01.02, IR.22.01.21, IR.23.01.01 and IR.28.01.01
  - MIC: IR.02.01.02, IR.17.01.02, IR.22.01.21, IR.23.01.01 and IR.28.01.01

The Narrative Disclosures subject to audit and the Group and Company Templates subject to audit are collectively referred to as the **'relevant elements of the Group Solvency and Financial Condition Report'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- Information contained within the relevant elements of the Group Solvency and Financial Condition Report set out above which is, or derives from the Solvency Capital Requirement, as identified in the Appendix to this report;
- The 'Summary', 'Business and Performance', 'System of Governance' and 'Risk Profile' sections of the Group Solvency and Financial Condition Report, including the 'Summary', 'Business and Performance', 'System of Governance' and 'Risk Profile' sections of the Solo Solvency and Financial Condition Reports of the Companies, presented in Appendices 2, 3 and 4;
- Group templates IR.05.02.01, IR.05.04.02 and IR.25.04.22;
- Company templates of IIUK, RSA Re and MIC IR.05.02.01, IR.05.04.02, IR.19.01.21 and IR.25.04.21; and
- The written acknowledgement by management of their responsibilities, including for the preparation of the Group Solvency and Financial Condition Report ('**the Responsibility Statement**').

To the extent the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report of RSA Insurance Group Limited as at 31 December 2025 is prepared, in all material respects, in accordance with the financial reporting provisions of the Prudential Regulation Authority ('PRA') Rules as supplemented by the permissions made by the Prudential Regulation Authority under section 138BA of the Financial Services and Markets Act 2000.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including *'ISA (UK) 800 (Revised) Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks'* and *'ISA (UK) 805 (Revised) Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement'*, and applicable law. Our responsibilities under those standards are further described in the

*Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the relevant elements of the Group Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the relevant elements of the Group Solvency and Financial Condition Report, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Group Solvency and Financial Condition Report is appropriate. Our evaluation of the Directors' assessment of the Group and Companies' ability to continue to adopt the going concern basis of accounting included:

- We confirmed our understanding of management's going concern assessment process and engaged with management early to ensure all key factors were considered in their assessment.
- We evaluated management's going concern assessment which included assessing their long-term business and strategic plans, liquidity and funding positions. Management also performed stress tests and reverse test scenarios which included principal and emerging risks. We challenged the plausibility of these based on our knowledge and understanding of the Group and Companies, and available external data.
- We assessed management's consideration of how solvency and liquidity has been managed in response to the current economic environment and evaluated management's liquidity and solvency projections, and their associated stress and scenario testing (including reverse stress testing).
- We challenged the key assumptions included within management's going concern assessment related to the performance of the Group and Companies, which were drawn from the Group and Companies' business plans.
- We evaluated the consistency, arithmetical accuracy and reasonableness of the data and assumptions used in management's going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Companies' ability to continue as a going concern for a period of twelve months from when the relevant elements of the Group Solvency and Financial Condition Report are authorised for issue**.**

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Companies' ability to continue as a going concern.

**Emphasis of matter – basis of accounting and restriction on use**

We draw attention to the 'Valuation for Solvency Purposes', 'Capital Management' sections of the Group Solvency and Financial Condition Report, including the 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Solo Solvency and Financial Condition Reports of the Companies, presented in Appendices 2, 3 and 4, which describe the basis of accounting. The Group Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Group Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Group Solvency and Financial Condition Report may not be suitable for another purpose.

This report is made solely to the Directors of the Group in accordance with Rule 2.1 of the External Audit Part of the PRA Rulebook for Solvency II firms. Our work has been undertaken so that we might report to the Directors those matters that we have agreed to state to them in this report and for no other purpose.

Our opinion is not modified in respect of these matters.

**Other information**

The Directors are responsible for the Other Information contained within the Group Solvency and Financial Condition Report.

Our opinion on the relevant elements of the Group Solvency and Financial Condition Report does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Group Solvency and Financial Condition Report, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the relevant elements of the Group Solvency and Financial Condition Report themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Directors for the Group Solvency and Financial Condition Report**

The Directors are responsible for the preparation of the Group Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules which have been supplemented by the permissions made by the Prudential Regulation Authority under section 138BA of the Financial Services and Markets Act 2000.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

In preparing the Group Solvency and Financial Condition Report, the Directors are responsible for assessing the Group and Companies' ability to continue in operation, disclosing as applicable, matters related to its ability to continue in operation and using the going concern basis of accounting unless the Directors either intend to cease to operate the Group or Companies, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Companies' financial reporting process.

**Auditor's responsibilities for the audit of the relevant elements of the Group Solvency and Financial Condition Report**

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group Solvency and Financial Condition Report are prepared, in all material respects, with the financial reporting provisions of the PRA Rules.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the relevant elements of the Group Solvency and Financial Condition Report.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.
However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Group and Companies and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Companies and determined that the most significant are the regulations, licence conditions and supervisory requirements of the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA), and the Companies Act 2006.
- We understood how the Group and Companies are complying with those frameworks by making inquiries of management, internal audit, and those responsible for legal and compliance matters and reviewing the Group and Companies' governance framework.
- We reviewed correspondence between the Group and Companies, and the PRA and FCA. We attend Audit and Risk Committees.
- We carried out an assessment of matters reported on the Group and Companies' whistleblowing programmes where these related to the financial statements and Group Solvency and Financial Condition Report.
- We assessed the susceptibility of the Group Solvency and Financial Condition Report to material misstatement, including how fraud might occur by considering the controls established to address risks identified to prevent and detect fraud. We also assessed the risk of fraud in key audit matters. Our procedures over our key audit matters and other significant accounting estimates included challenging management on the assumptions and judgements made in determining these estimates.
- We designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of legal counsel, executive management, internal audit and reading reports of reviews performed by legal counsel. We also performed procedures to respond to any financial statement and Group Solvency and Financial

Condition report impacts of non-compliance with laws and regulations. These procedures were performed centrally by the Group audit team.
- We identified and tested journal entries, including those posted with certain descriptions or unusual characteristics, backdated journals or posted by infrequent and unexpected users.
- The Group and Companies operate in the insurance industry which is a highly regulated environment. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, involving specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's Report on the Group Solvency and Financial Condition Report.

**Other matter – Internal Model**

The Group and Companies have authority to calculate the Solvency Capital Requirement using an internal model ("the Model'') previously approved by the Prudential Regulation Authority under the Solvency 2 Regulations 2015 and continuing in force as a permission by virtue of the transitional provisions in the Insurance and Reinsurance Undertakings (Prudential Requirements) (Transitional Provisions and Consequential Amendments) Regulations 2024. In forming our opinion and in accordance with PRA Rules, we are not required to audit the inputs to, design of, operating effectiveness of and outputs from the Model, or whether the Model is being applied in accordance with the Group and Companies' application or approval order.

**Other information**

In accordance with Rule 4.1(3) of the External Audit Part of the PRA Rulebook for Solvency II firms, we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of RSA Insurance Group Limited, IIUK, RSA Re and MIC statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DocuSigned by:
Ernst & Young LLP
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Ernst & Young LLP
London
1 April 2026

**Appendix – Information within the relevant elements of the Group Solvency and Financial Condition Report that are not subject to audit**

**RSA Insurance Group Limited**

Information within the relevant elements of the Group Solvency and Financial Condition Report that is not subject to audit comprises:

- The following elements of Group template IR.02.01.02:
  - Row R0552: Technical provisions — risk margin – total
  - Row R0554: Technical provisions — risk margin – non-life
  - Row R0556: Technical provisions — risk margin – life
  - R0565 - Transitional (TMTP) – life

- The following elements of Group template IR.22.01.22
  - Column C0030 – Impact of transitional on technical provisions
  - Row R0010 – Technical provisions
  - Row R0090 – Solvency Capital Requirement

- The following elements of Group template IR.23.01.04
  - Row R0020: Non-available called but not paid in ordinary share capital at group level
  - Row R0060: Non-available subordinated mutual member accounts at group level
  - Row R0080: Non-available surplus at group level
  - Row R0100: Non-available preference shares at group level
  - Row R0120: Non-available share premium account related to preference shares at group level
  - Row R0150: Non-available subordinated liabilities at group level
  - Row R0170: The amount equal to the value of net deferred tax assets not available at the group level
  - Row R0190: Non-available own funds related to other own funds items approved by supervisory authority
  - Row R0210: Non-available minority interests at group level
  - Row R0270 – Total of non-available own fund items
  - Row R0380: Non-available ancillary own funds at group level
  - Rows R0410 to R0440 – Own funds of other financial sectors
  - Row R0590 – Consolidated Group SCR
  - Row R0670 – SCR for entities included with D&A method
  - Row R0680: Group SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
  - Row R0750: Other non-available own funds

- Elements of the Narrative Disclosures subject to audit identified as ‘unaudited’.

**IIUK**

Information within the relevant elements of the Group Solvency and Financial Condition Report that is not subject to audit comprises:

- The following elements of template IR.02.01.02:
  - Row R0552: Technical provisions — risk margin – total
  - Row R0554: Technical provisions — risk margin – non-life
  - Row R0556: Technical provisions — risk margin – life
  - R0565 - Transitional (TMTP) – life
- The following elements of template IR.12.01.02:
  - Row R0100: Risk margin
  - Rows R0140 to R0180: Amount of transitional on technical provisions
- The following elements of template IR.17.01.02:
  - Row R0280: Risk margin
- The following elements of template IR.22.01.21:
  - Column C0030: Impact of transitional on technical provisions
  - Row R0010: Technical provisions
  - Row R0090: Solvency Capital Requirement
- The following elements of template IR.23.01.01:
  - Row R0580: SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
- The following elements of template IR.28.01.01:
  - Row R0310: SCR
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

**RSA Re**

Information within the relevant elements of the Group Solvency and Financial Condition Report that is not subject to audit comprises:

- The following elements of template IR.02.01.02:
  - Row R0552: Technical provisions — risk margin – total
  - Row R0554: Technical provisions — risk margin – non-life
  - Row R0556: Technical provisions — risk margin – life
  - R0565 - Transitional (TMTP) – life
- The following elements of template IR.17.01.02:
  - Row R0280: Risk margin
- The following elements of template IR.22.01.21:
  - Column C0030: Impact of transitional on technical provisions
  - Row R0010: Technical provisions
  - Row R0090: Solvency Capital Requirement
- The following elements of template IR.23.01.01:
  - Row R0580: SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
- The following elements of template IR.28.01.01:
  - Row R0310: SCR
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

**MIC**

Information within the relevant elements of the Group Solvency and Financial Condition Report that is not subject to audit comprises:

- The following elements of template IR.02.01.02:
  - Row R0552: Technical provisions — risk margin – total
  - Row R0554: Technical provisions — risk margin – non-life
  - Row R0556: Technical provisions — risk margin – life
  - R0565 - Transitional (TMTP) – life

- The following elements of template IR.17.01.02:
  - Row R0280: Risk margin

- The following elements of template IR.22.01.21:
  - Column C0030: Impact of transitional on technical provisions
  - Row R0010: Technical provisions
  - Row R0090: Solvency Capital Requirement

- The following elements of template IR.23.01.01:
  - Row R0580: SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

- The following elements of template IR.28.01.01:
  - Row R0310: SCR

- Elements of the Narrative Disclosures subject to audit identified as ‘unaudited’.

# Appendix 7. Abbreviations and Terms used in this Report

| Abbreviation | Description |
|---|---|
| ACPR | Autorité de contrôle prudentiel et de resolution |
| ADC | Adverse Development Cover |
| AMC | Asset Management Committee |
| AMSG | Accumulation Management Steering Group |
| AOF | Ancillary Own Funds |
| ASHE | Annual Survey of Hours and Earnings Index |
| BBNI | Bound But Not Incepted |
| Belair | Belair Insurance Company Inc |
| BI | Business Interruption |
| BRC | Board Risk Committee |
| the buy-ins | Annuity buy-in insurance contracts |
| CAA | Commissariat aux Assurances |
| CAS | Corporate Audit Services |
| CAU | Central Accounting Unit |
| CBI | Central Bank of Ireland |
| CCO | Chief Compliance Officer |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| The Company | RSA Insurance Group Limited |
| COO | Chief Operations Officer |
| COR | Combined Operating Ratio |
| CRO | Chief Risk Officer |
| CRRC | Credit Rating Review Committee |

| Abbreviation | Description |
|---|---|
| DB | UK Defined Benefit Pensions Schemes |
| DSU | Deferred Share Units |
| DLG | Direct Line Insurance Group plc |
| DTA | Deferred Tax Asset |
| ECL | Expected Credit Loss |
| EEA | European Economic Area |
| EIOPA Valuation Guidelines | EIOPA-BoS-15/113 EN Guidelines on recognition and valuation of assets and liabilities other than technical provisions (to be referred to by UK regulated (re)insurers as required by the Bank of England/PRA Statement of Policy SoP 1/19 on Interpretation of EU Guidelines and Recommendations: Bank of England and PRA approach after the UK's withdrawal from the EU, updated November 2024) |
| ENIDs | Events Not In Data |
| ERC | Enterprise Risk Committee |
| ESG | Economic, Social and Governance |
| EU | European Union |
| FCA | Financial Conduct Authority |
| FVTOCI | Fair Value Through Other Comprehensive Income |
| GCR | Governance, Conduct and Remuneration Committee |
| GHG | Greenhouse gas |
| GI | General Insurance |
| the Group | RSAIG, together with its subsidiaries |
| HMRC | His Majesty's Revenue & Customs |
| IAS | International Accounting Standards |
| IBNR | Incurred But Not Yet Reported |
| IELRs | Initial Expected Loss Ratios |
| IFC | Intact Financial Corporation |
| IFRS | International Financial Reporting Standards |
| IMGC | Internal Model Governance Committee |
| Intact | The Group headed by Intact Financial Corporation |
| Intact Europe | Intact Insurance (Europe) SA |
| Intact Ireland | Intact Insurance Ireland DAC |

| Abbreviation | Description |
|---|---|
| Intact UK | Intact Insurance UK Limited |
| IPCC | Intergovernmental Panel on Climate Change |
| KRI | Key Risk Indicator |
| LFRC | Liability For Remaining Coverage |
| MIC | The Marine Insurance Company Limited |
| MCR | Minimum Capital Requirement |
| MSCR | Minimum consolidated group Solvency Capital Requirement |
| NAIC | National Association of Insurance Commissioners |
| NAV | Net Asset Value |
| OCI | Other Comprehensive Income |
| OpCo | Operating Committee. The management committee that assists the Chief Executive Officer in discharging his responsibilities and delegated authority |
| ORC | Operational Risk Capital |
| ORSA | Own Risk and Solvency Assessment |
| PFAS | Polyfluoroalkyl substances |
| PIC | Pension Insurance Corporation plc |
| PPO | Periodic Payment Orders |
| PRA | Prudential Regulation Authority |
| PSU | Performance Share Units |
| RICS | Royal Institute of Chartered Surveyors |
| RSAIG | RSA Insurance Group Limited |
| RSAIG Board | The Boards of Intact UK and RSAIG, collectively |
| RSA Re | Royal & Sun Alliance Reinsurance Limited |
| RSU | Restricted Share Units |
| the Schemes | Royal Insurance Group Pension Scheme and the Sal Pension Scheme |
| SCR | Solvency Capital Requirement |
| SFCR | Solvency and Financial Condition Report |
| SII | Solvency II |
| SLT | Similar to Life Techniques |
| SM&CR | Senior Managers and Certification Regime |

| Abbreviation | Description |
|---|---|
| SPV | Special Purpose Vehicle |
| SUK/Solvency UK | The UK prudential regime for insurers, otherwise known as UK Solvency II |
| UK | United Kingdom |
| UK&I | UK & International |
| Unifund | Unifund Assurance Company |
| US | United States |

The terms financial statement, income statement, and other comprehensive income used in this report refer to information presented in the RSAIG 2025 consolidated financial statements and the 2025 Annual Reports and Accounts for Intact UK, RSA Re and MIC. These have been prepared according to IFRS (as adopted for use in the UK) for RSAIG, Intact UK, RSA Re and MIC. Refer to the relevant the consolidated financial statements or Annual Report and Accounts for details.

# Appendix 8. Reporting Templates

This Appendix contains the following reporting templates:

| Entity | Template Reference | Template Name |
|---|---|---|
| Group | IR.02.01.02 | Group balance sheet |
| Group | IR.05.02.01 | Group premiums, claims & expenses by country |
| Group | IR.05.04.02 | Group non-life income, expenditure and business model analysis |
| Group | IR.22.01.22 | Impact of long term guarantees and transitional measures |
| Group | IR.23.01.04 | Group own funds |
| Group | IR.25.04.22 | Solvency capital requirement - for all firms |
| Group | IR.32.01.22 | Undertakings in the scope of the group |
| Intact UK | IR.02.01.02 | Balance sheet |
| Intact UK | IR.05.02.01 | Premiums, claims & expenses by country |
| Intact UK | IR.05.04.02 | Non-life income, expenditure and business model analysis |
| Intact UK | IR.12.01.02 | Life and health SLT technical provisions |
| Intact UK | IR.17.01.02 | Non-life technical provisions |
| Intact UK | IR.19.01.21 | Non-life insurance claims Information |
| Intact UK | IR.22.01.21 | Impact of long term guarantees and transitional measures |
| Intact UK | IR.23.01.01 | Own funds |
| Intact UK | IR.25.04.21 | Solvency capital requirement - for all firms |
| Intact UK | IR.28.01.01 | Minimum capital requirement - only life or only non-life insurance or reinsurance activity |
| RSA Re | IR.02.01.02 | Balance sheet |
| RSA Re | IR.05.02.01 | Premiums, claims & expenses by country |
| RSA Re | IR.05.04.02 | Non-life income, expenditure and business model analysis |
| RSA Re | IR.17.01.02 | Non-life technical provisions |
| RSA Re | IR.19.01.21 | Non-life insurance claims information |
| RSA Re | IR.22.01.21 | Impact of long term guarantees and transitional measures |
| RSA Re | IR.23.01.01 | Own funds |
| RSA Re | IR.25.04.21 | Solvency capital requirement - for all firms |
| RSA Re | IR.28.01.01 | Minimum capital requirement - only life or only non-life insurance or reinsurance activity |
| MIC | IR.02.01.02 | Balance sheet |
| MIC | IR.05.02.01 | Premiums, claims & expenses by country |
| MIC | IR.05.04.02 | Non-life income, expenditure and business model analysis |
| MIC | IR.17.01.02 | Non-life technical provisions |
| MIC | IR.19.01.21 | Non-life insurance claims information |
| MIC | IR.22.01.21 | Impact of long term guarantees and transitional measures |
| MIC | IR.23.01.01 | Own funds |
| MIC | IR.25.04.21 | Solvency capital requirement - for all firms |
| MIC | IR.28.01.01 | Minimum capital requirement - only life or only non-life insurance or reinsurance activity |

There is nothing to report for RSA Re or MIC for reporting template IR.12.01.02 (Life and health SLT technical provisions).

All monetary amounts are shown in thousands of pounds (£000's) in all reporting templates.

**IR.02.01.02**

## Balance sheet

| | | Solvency II value |
|---|---|---|
| | **Assets** | C0010 |
| R0030 | Intangible assets | 0 |
| R0040 | Deferred tax assets | 279,648 |
| R0050 | Pension benefit surplus | 54,011 |
| R0060 | Property, plant & equipment held for own use | 102,825 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 6,393,551 |
| R0080 | *Property (other than for own use)* | 378,862 |
| R0090 | *Holdings in related undertakings, including participations* | 41,322 |
| R0100 | *Equities* | 510,267 |
| R0110 | *Equities - listed* | 509,542 |
| R0120 | *Equities - unlisted* | 724 |
| R0130 | *Bonds* | 4,916,107 |
| R0140 | *Government Bonds* | 2,029,708 |
| R0150 | *Corporate Bonds* | 2,536,764 |
| R0160 | *Structured notes* | 0 |
| R0170 | *Collateralised securities* | 349,635 |
| R0180 | *Collective Investments Undertakings* | 452,656 |
| R0190 | *Derivatives* | 38,629 |
| R0200 | *Deposits other than cash equivalents* | 55,707 |
| R0210 | *Other investments* | 0 |
| R0220 | Assets held for index-linked and unit-linked contracts | 0 |
| R0230 | Loans and mortgages | 248,673 |
| R0240 | *Loans on policies* | 0 |
| R0250 | *Loans and mortgages to individuals* | 256 |
| R0260 | *Other loans and mortgages* | 248,417 |
| R0270 | Reinsurance recoverables from: | 1,001,749 |
| R0280 | *Non-life and health similar to non-life* | 895,975 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 105,774 |
| R0340 | *Life index-linked and unit-linked* | 0 |
| R0350 | Deposits to cedants | 1 |
| R0360 | Insurance and intermediaries receivables | 128,703 |
| R0370 | Reinsurance receivables | 46,661 |
| R0380 | Receivables (trade, not insurance) | 54,499 |
| R0390 | Own shares (held directly) | 0 |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | 0 |
| R0410 | Cash and cash equivalents | 54,309 |
| R0420 | Any other assets, not elsewhere shown | 16,132 |
| R0500 | **Total assets** | 8,380,762 |

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | Technical provisions - total | 5,623,557 |
| R0510 | *Technical provisions - non-life* | 5,372,856 |
| R0515 | *Technical provisions - life* | 250,701 |
| R0542 | Best estimate - total | 5,438,627 |
| R0544 | *Best estimate - non-life* | 5,209,091 |
| R0546 | *Best estimate - life* | 229,537 |
| R0552 | Risk margin - total | 184,929 |
| R0554 | *Risk margin - non-life* | 163,765 |
| R0556 | *Risk margin - life* | 21,164 |
| R0565 | Transitional (TMTP) - life | 0 |
| R0740 | Contingent liabilities | 7,023 |
| R0750 | Provisions other than technical provisions | 24,561 |
| R0760 | Pension benefit obligations | 2,534 |
| R0770 | Deposits from reinsurers | 0 |
| R0780 | Deferred tax liabilities | 479 |
| R0790 | Derivatives | 16,185 |
| R0800 | Debts owed to credit institutions | 171 |
| R0810 | Financial liabilities other than debts owed to credit institutions | 0 |
| R0820 | Insurance & intermediaries payables | 148,561 |
| R0830 | Reinsurance payables | 26,891 |
| R0840 | Payables (trade, not insurance) | 324,898 |
| R0850 | Subordinated liabilities | 7,701 |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | 7,701 |
| R0870 | *Subordinated liabilities in Basic Own Funds* | 0 |
| R0880 | Any other liabilities, not elsewhere shown | 232,872 |
| R0900 | **Total liabilities** | 6,415,433 |
| R1000 | **Excess of assets over liabilities** | 1,965,330 |

**IR.05.02.01**

## Premiums, claims and expenses by country: Non-life obligations

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R0010 | | | CA | IE | US | | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | Gross - Direct Business | 2,059,916 | 0 | 297,363 | 21,002 | | | 2,378,281 |
| R0120 | Gross - Proportional reinsurance accepted | 108,796 | 862,411 | 0 | 99,118 | | | 1,070,325 |
| R0130 | Gross - Non-proportional reinsurance accepted | 0 | 0 | 0 | 0 | | | 0 |
| R0140 | Reinsurers' share | 366,822 | 8,121 | 16,100 | 21,029 | | | 412,072 |
| R0200 | Net | 1,801,891 | 854,290 | 281,263 | 99,092 | | | 3,036,535 |
| | **Premiums earned** | | | | | | | |
| R0210 | Gross - Direct Business | 2,207,879 | 0 | 291,763 | 23,954 | | | 2,523,597 |
| R0220 | Gross - Proportional reinsurance accepted | 251,740 | 804,345 | 0 | 102,741 | | | 1,158,826 |
| R0230 | Gross - Non-proportional reinsurance accepted | 0 | 0 | 0 | 0 | | | 0 |
| R0240 | Reinsurers' share | 377,319 | 7,672 | 16,467 | 26,761 | | | 428,220 |
| R0300 | Net | 2,082,300 | 796,673 | 275,297 | 99,933 | | | 3,254,203 |
| | **Claims incurred** | | | | | | | |
| R0310 | Gross - Direct Business | 1,045,021 | 0 | 120,062 | 30,238 | | | 1,195,321 |
| R0320 | Gross - Proportional reinsurance accepted | 22,287 | 555,919 | 0 | 55,672 | | | 633,877 |
| R0330 | Gross - Non-proportional reinsurance accepted | 13,698 | 2,053 | -154 | 0 | | | 15,596 |
| R0340 | Reinsurers' share | 93,972 | -7,730 | -19,672 | 15,923 | | | 82,493 |
| R0400 | Net | 987,034 | 565,701 | 139,580 | 69,987 | | | 1,762,302 |
| R0550 | **Net expenses incurred** | 979,307 | 198,972 | 110,152 | 19,634 | | | 1,308,065 |

**IR.05.02.01**

## Premiums, claims and expenses by country: Life obligations

| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R1400 | | | | | | | | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| | **Premiums written** | | | | | | | |
| R1410 | Gross | 0 | | | | | | 0 |
| R1420 | Reinsurers' share | 0 | | | | | | 0 |
| R1500 | Net | 0 | | | | | | 0 |
| | **Premiums earned** | | | | | | | |
| R1510 | Gross | 0 | | | | | | 0 |
| R1520 | Reinsurers' share | 0 | | | | | | 0 |
| R1600 | Net | 0 | | | | | | 0 |
| | **Claims incurred** | | | | | | | |
| R1610 | Gross | 36,484 | | | | | | 36,484 |
| R1620 | Reinsurers' share | 14,933 | | | | | | 14,933 |
| R1700 | Net | 21,551 | | | | | | 21,551 |
| R1900 | **Net expenses incurred** | 0 | | | | | | 0 |

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**Non-life income and expenditure : reporting period**

| | | All business (including annuities stemming from accepted non-life insurance and reinsurance contracts) | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance - personal lines | Motor vehicle liability insurance - non-personal lines | Motor vehicle other motor insurance - personal lines | Motor vehicle other motor insurance - non-personal lines | Marine, aviation and transport insurance | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines |
| | | C0010 | C0015 | C0110 | C0120 | C0130 | C0140 | C0141 | C0150 | C0151 | C0160 | C0170 | C0180 |
| | **Income** | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | |
| R0110 | Gross written premiums | | 3,968,007 | 0 | 9 | 0 | 508,494 | 190,890 | 242,726 | 131,997 | 294,335 | 522,826 | 1,295,611 |
| R0111 | Gross written premiums - insurance (direct) | | 2,789,413 | 0 | 9 | 0 | 103,105 | 186,943 | 43,849 | 132,200 | 243,822 | 281,704 | 1,065,917 |
| R0113 | Gross written premiums - accepted reinsurance | | 1,178,594 | 0 | 0 | 0 | 405,389 | 3,948 | 198,877 | -204 | 50,514 | 241,122 | 229,694 |
| R0160 | Net written premiums | | 3,383,274 | 0 | -277 | 0 | 502,767 | 176,038 | 241,071 | 130,334 | 208,087 | 497,458 | 956,484 |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | |
| R0210 | Gross earned premiums | | 4,174,652 | 0 | 933 | 0 | 479,032 | 200,801 | 226,982 | 143,798 | 282,848 | 625,083 | 1,370,336 |
| R0220 | Net earned premiums | | 3,574,736 | 0 | 624 | 0 | 473,306 | 175,947 | 225,327 | 142,212 | 203,780 | 598,465 | 1,030,770 |
| | **Expenditure** | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 2,305,098 | 0 | 648 | 0 | 351,585 | 60,765 | 166,583 | 94,957 | 132,376 | 429,037 | 531,950 |
| R0611 | Gross (undiscounted) direct business | | 1,561,851 | 0 | 648 | 0 | 57,573 | 83,488 | 29,803 | 67,713 | 112,441 | 279,081 | 440,259 |
| R0612 | Gross (undiscounted) reinsurance accepted | | 743,247 | 0 | 0 | 0 | 294,012 | -22,724 | 136,780 | 27,245 | 19,934 | 149,956 | 91,691 |
| R0690 | Net (undiscounted) claims incurred | | 2,119,483 | 0 | 482 | 0 | 333,720 | 40,581 | 176,824 | 106,182 | 105,939 | 415,433 | 503,852 |
| R0730 | Net (discounted) claims incurred | 1,955,762 | 1,934,211 | | | | | | | | | | |
| | **Analysis of expenses incurred** | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | 1,403,994 | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 1,053,790 | 1,053,790 | 0 | 279 | 0 | 114,417 | 70,602 | 56,383 | 26,568 | 58,948 | 184,897 | 352,001 |
| | **Other expenditure** | | | | | | | | | | | | |
| R1140 | Other expenses | 375,219 | | | | | | | | | | | |
| R1310 | **Total expenditure** | 3,755,052 | | | | | | | | | | | |

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**Non-life income and expenditure : reporting period**

| | | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | Accepted non-proportional reinsurance | | | | Annuities stemming from non-life insurance contracts | Annuities stemming from non-life accepted reinsurance contracts |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | General liability insurance | | | | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation and transport | Property | | |
| | | Employers Liability | Public & products Liability | Professional Indemnity | Other general liability | | | | | | | | | | |
| | | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0310 | C0320 | C0330 | C0340 | C0525 | C0545 |
| | **Income** | | | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | | | |
| R0110 | Gross written premiums | 99,381 | 337,480 | 182,725 | 90,196 | 0 | 2,933 | 0 | 68,404 | 0 | 0 | 0 | 0 | | |
| R0111 | Gross written premiums - insurance (direct) | 110,012 | 278,342 | 182,003 | 89,943 | 0 | 2,933 | 0 | 68,631 | | | | | | |
| R0113 | Gross written premiums - accepted reinsurance | -10,631 | 59,137 | 722 | 253 | 0 | 0 | 0 | -228 | 0 | 0 | 0 | 0 | | |
| R0160 | Net written premiums | 133,686 | 258,321 | 175,436 | 32,320 | 0 | 2,933 | 0 | 68,616 | 0 | 0 | 0 | 0 | | |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | | | |
| R0210 | Gross earned premiums | 102,045 | 305,493 | 168,097 | 98,189 | 0 | 3,892 | 0 | 167,124 | 0 | 0 | 0 | 0 | | |
| R0220 | Net earned premiums | 130,267 | 229,020 | 154,004 | 39,702 | 0 | 3,892 | 0 | 167,422 | 0 | 0 | 0 | 0 | | |
| | **Expenditure** | | | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | 63,176 | 163,179 | 119,604 | 76,868 | 0 | 2,023 | 15 | 98,494 | 0 | 2,643 | 0 | 11,195 | | |
| R0611 | Gross (undiscounted) direct business | 44,318 | 140,566 | 119,649 | 81,264 | 0 | 2,023 | 15 | 103,010 | | | | | | |
| R0612 | Gross (undiscounted) reinsurance accepted | 18,858 | 22,613 | -45 | -4,396 | 0 | 0 | 0 | -4,515 | 0 | 2,643 | 0 | 11,195 | | |
| R0690 | Net (undiscounted) claims incurred | 80,683 | 137,760 | 84,262 | 4,726 | 0 | 1,972 | 15 | 95,992 | 0 | 19,523 | 0 | 11,538 | | |
| R0730 | Net (discounted) claims incurred | | | | | | | | | | | | | 21,551 | 0 |
| | **Analysis of expenses incurred** | | | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | | | | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 30,225 | 50,481 | 45,704 | 7,887 | 0 | 426 | 0 | 54,972 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Other expenditure** | | | | | | | | | | | | | | |
| R1140 | Other expenses | | | | | | | | | | | | | | |
| R1310 | **Total expenditure** | | | | | | | | | | | | | | |

**IR.22.01.22**

## Impact of long term guarantees measures and transitionals

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0050 | C0070 | C0090 |
| R0010 | Technical provisions | 5,623,557 | 0 | 0 | 35,468 | 0 |
| R0020 | Basic own funds | 1,917,638 | 0 | 0 | -23,723 | 0 |
| R0050 | Eligible own funds to meet Solvency Capital Requirement | 2,073,834 | 0 | 0 | -23,723 | 0 |
| R0090 | Solvency Capital Requirement | 1,238,960 | 0 | 0 | 0 | 0 |

**IR.23.01.04**

**Own Funds**

| | | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 1,563,287 | 1,563,287 | | 0 | |
| R0020 | *Non-available called but not paid in ordinary share capital at group level* | 0 | 0 | | 0 | |
| R0030 | Share premium account related to ordinary share capital | 0 | 0 | | 0 | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | 0 | 0 | | 0 | |
| R0050 | Subordinated mutual member accounts | 0 | | 0 | 0 | 0 |
| R0060 | *Non-available subordinated mutual member accounts at group level* | 0 | | 0 | 0 | 0 |
| R0070 | Surplus funds | 0 | 0 | | | |
| R0080 | *Non-available surplus funds at group level* | 0 | 0 | | | |
| R0090 | Preference shares | 0 | | 0 | 0 | 0 |
| R0100 | *Non-available preference shares at group level* | 0 | | 0 | 0 | 0 |
| R0110 | Share premium account related to preference shares | 0 | | 0 | 0 | 0 |
| R0120 | *Non-available share premium account related to preference shares at group level* | 0 | | 0 | 0 | 0 |
| R0130 | Reconciliation reserve | 74,703 | 74,703 | | | |
| R0140 | Subordinated liabilities | 0 | | 0 | 0 | 0 |
| R0150 | *Non-available subordinated liabilities at group level* | 0 | | 0 | 0 | 0 |
| R0160 | An amount equal to the value of net deferred tax assets | 279,648 | | | | 279,648 |
| R0170 | *The amount equal to the value of net deferred tax assets not available at the group level* | 0 | | | | 0 |
| R0180 | Other items approved by supervisory authority as basic own funds not specified above | 0 | 0 | 0 | 0 | 0 |
| R0190 | *Non available own funds related to other own funds items approved by supervisory authority* | 0 | 0 | 0 | 0 | 0 |
| R0200 | Minority interests (if not reported as part of a specific own fund item) | 0 | 0 | 0 | 0 | 0 |
| R0210 | *Non-available minority interests at group level* | 0 | 0 | 0 | 0 | 0 |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | 0 | | | | |
| R0250 | Deductions for participations where there is non-availability of information | 0 | 0 | 0 | 0 | 0 |
| R0260 | Deduction for participations included by using D&A when a combination of methods is used | 0 | 0 | 0 | 0 | 0 |
| R0270 | **Total of non-available own fund items** | 0 | 0 | 0 | 0 | 0 |
| R0280 | **Total deductions** | 0 | 0 | 0 | 0 | 0 |
| R0290 | **Total basic own funds after deductions** | 1,917,638 | 1,637,990 | 0 | 0 | 279,648 |
| | **Ancillary own funds** | | | | | |
| R0300 | Unpaid and uncalled ordinary share capital callable on demand | 250,000 | | | 250,000 | |
| R0310 | Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | 0 | | | 0 | |
| R0320 | Unpaid and uncalled preference shares callable on demand | 0 | | | 0 | 0 |
| R0330 | A legally binding commitment to subscribe and pay for subordinated liabilities on demand | 0 | | | 0 | 0 |
| R0340 | Letters of credit and guarantees | 0 | | | 0 | |
| R0350 | Letters of credit and guarantees other | 0 | | | 0 | 0 |
| R0360 | Supplementary members calls | 0 | | | 0 | |
| R0370 | Supplementary members calls - other | 0 | | | 0 | 0 |
| R0380 | Non available ancillary own funds at group level | 0 | | | 0 | 0 |
| R0390 | Other ancillary own funds | 0 | | | 0 | 0 |
| R0400 | **Total ancillary own funds** | 250,000 | | | 250,000 | 0 |
| | **Own funds of other financial sectors** | | | | | |
| R0410 | Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total | 0 | 0 | 0 | 0 | |
| R0420 | Institutions for occupational retirement provision | 0 | 0 | 0 | 0 | 0 |
| R0430 | Non regulated entities carrying out financial activities | 0 | 0 | 0 | 0 | |
| R0440 | **Total own funds of other financial sectors** | 0 | 0 | 0 | 0 | 0 |
| | **Own funds when using the D&A, exclusively or in combination of method 1** | | | | | |
| R0450 | Own funds aggregated when using the D&A and combination of method | 0 | 0 | 0 | 0 | 0 |
| R0460 | Own funds aggregated when using the D&A and combination of method net of IGT | 0 | 0 | 0 | 0 | 0 |
| R0520 | Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | 2,167,638 | 1,637,990 | 0 | 250,000 | 279,648 |
| R0530 | Total available own funds to meet the minimum consolidated group SCR | 1,637,990 | 1,637,990 | 0 | 0 | |
| R0560 | Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | 2,073,834 | 1,637,990 | 0 | 250,000 | 185,844 |
| R0570 | Total eligible own funds to meet the minimum consolidated group SCR (group) | 1,637,990 | 1,637,990 | 0 | 0 | |
| R0590 | Consolidated group SCR | 1,238,960 | | | | |
| R0610 | **Minimum consolidated Group SCR** | 622,426 | | | | |
| R0630 | **Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)** | 167.39% | | | | |
| R0650 | **Ratio of Eligible own funds to Minimum Consolidated Group SCR** | 263.16% | | | | |
| R0660 | **Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A )** | 2,073,834 | 1,637,990 | 0 | 250,000 | 185,844 |
| R0670 | **SCR for entities included with D&A method** | 0 | | | | |
| R0680 | **Group SCR** | 1,238,960 | | | | |
| R0690 | **Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A** | 167.39% | | | | |

| | **Reconciliation reserve** | C0060 |
|---|---|---|
| R0700 | Excess of assets over liabilities | 1,965,330 |
| R0710 | Own shares (held directly and indirectly) | 0 |
| R0720 | Forseeable dividends, distributions and charges | |
| R0725 | Deductions for particpations in financial and credit institutions | |
| R0730 | Other basic own fund items | 1,842,935 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | |
| R0750 | Other non available own funds | 47,691 |
| R0760 | **Reconciliation reserve** | 74,703 |

**IR.25.04.22**

**Solvency Capital Requirement**

**Net of loss absorbing capacity of technical provisions**

| | | C0010 |
|---|---|---|
| | **Market risk** | |
| R0070 | Interest rate risk | 49,295 |
| R0080 | Equity risk | 136,495 |
| R0090 | Property risk | 89,683 |
| R0100 | Spread risk | 372,948 |
| R0110 | Concentration risk | 0 |
| R0120 | Currency risk | 107,280 |
| R0125 | Other market risk | 0 |
| R0130 | Diversification within market risk | -605,617 |
| R0140 | **Total Market risk** | 150,084 |
| | **Counterparty default risk** | |
| R0150 | Type 1 exposures | 78,232 |
| R0160 | Type 2 exposures | 0 |
| R0165 | Other counterparty risk | 0 |
| R0170 | Diversification within counterparty default risk | 0 |
| R0180 | **Total Counterparty default risk** | 78,232 |
| | **Life underwriting risk** | |
| R0190 | Mortality risk | 0 |
| R0200 | Longevity risk | 0 |
| R0210 | Disability-Morbidity risk | 0 |
| R0220 | Life-expense risk | 0 |
| R0230 | Revision risk | 0 |
| R0240 | Lapse risk | 0 |
| R0250 | Life catastrophe risk | 0 |
| R0255 | Other life underwriting risk | 0 |
| R0260 | Diversification within life underwriting risk | 0 |
| R0270 | **Total Life underwriting risk** | 0 |
| | **Health underwriting risk** | |
| R0280 | Health SLT risk | 0 |
| R0290 | Health non SLT risk | 0 |
| R0300 | Health catastrophe risk | 0 |
| R0305 | Other health underwriting risk | 0 |
| R0310 | Diversification within health underwriting risk | 0 |
| R0320 | **Total Health underwriting risk** | 0 |
| | **Non-life underwriting risk** | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | 911,182 |
| R0340 | Non-life catastrophe risk | 549,808 |
| R0350 | Lapse risk | 0 |
| R0355 | Other non-life underwriting risk | 0 |
| R0360 | Diversification within non-life underwriting risk | 0 |
| R0370 | **Total Non-life underwriting risk** | 1,460,990 |
| R0400 | **Intangible asset risk** | 0 |
| | **Operational and other risks** | |
| R0422 | Operational risk | 151,170 |
| R0424 | Other risks | 192,586 |
| R0430 | **Total Operational and other risks** | 343,756 |
| R0432 | **Total before all diversification** | 2,638,680 |
| R0434 | Total before diversification between risk modules | 2,033,062 |
| R0436 | Diversification between risk modules | -794,102 |
| R0438 | **Total after diversification** | 1,238,960 |
| R0440 | Loss absorbing capacity of technical provisions | 0 |
| R0450 | Loss absorbing capacity of deferred tax | 0 |
| R0455 | Other adjustments | 0 |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 1,238,960 |
| R0472 | Disclosed capital add-on - excluding residual model limitation | 0 |
| R0474 | Disclosed capital add-on - residual model limitation | 0 |
| R0480 | **Solvency capital requirement including capital add-on** | 1,238,960 |
| R0490 | Biting interest rate scenario | Decrease |
| R0495 | Biting life lapse scenario | |
| | **Information on other entities** | |
| R0500 | Capital requirement for other financial sectors (Non-insurance capital requirements) | 0 |
| R0510 | *Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies* | 0 |
| R0520 | *Institutions for occupational retirement provisions* | 0 |
| R0530 | *Capital requirement for non- regulated entities carrying out financial activities* | 0 |
| R0540 | Capital requirement for non-controlled participation requirements | 0 |
| R0550 | Capital requirement for residual undertakings | 0 |
| | **Overall SCR** | |
| R0555 | Solvency capital requirement (consolidation method) | 1,238,960 |
| R0560 | SCR for undertakings included via D and A | 0 |
| R0565 | SCR for sub-groups included via D and A | 0 |
| R0570 | **Solvency capital requirement** | 1,238,960 |

**IR.32.01.22**

## Undertakings in the scope of the group

| Row | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority |
|---|---|---|---|---|---|---|---|
| | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 |
| 1 | IE | LEI/2138003HL1YHLUM7ZI84 | 123 Money Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 2 | GB | SC/213800ANK59AYB612F23 GB10035 | Alliance Assurance Company Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 3 | IE | LEI/6354002QMLYRFBNBZO30 | Benchmark Underwriting Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 4 | GB | SC/213800ANK59AYB612F23GB10046 | Centrium Management Company Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 5 | IE | SC/213800ANK59AYB612F23IE10052 | EGI Holdings Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 6 | GB | SC/213800ANK59AYB612F23GB10089 | Non-Destructive Testers Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 7 | GB | LEI/213800Q93FUZEKDNTD30 | Polaris U.K. Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 8 | GB | LEI/8945007F5218LZ1NQS70 | Punchbowl Park Management Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 9 | GB | SC/549300HOGQ7E0TY86138GB10007 | Royal & Sun Alliance Pension Trustee Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 10 | GB | LEI/213800TWB86O896DND08 | Royal & Sun Alliance Reinsurance Limited | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Prudential Regulation Authority |
| 11 | GB | SC/213800ANK59AYB612F23GB10120 | Royal Insurance (U.K.) Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 12 | GB | SC/213800ANK59AYB612F23GB10014 | Royal Insurance Operational Services (U.K.) Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 13 | GB | LEI/213800DXUS819BNLJN46 | Royal International Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 14 | GB | SC/213800ANK59AYB612F23GB10126 | Roysun Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 15 | GB | SC/549300HOGQ7E0TY86138GB10127 | RSA Accident Repairs Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 16 | IM | SC/213800ANK59AYB612F23IM10140 | RSA Isle of Man No.1 Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 17 | GB | SC/213800ANK59AYB612F23GB10141 | RSA Law Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 18 | GB | SC/213800ANK59AYB612F23GB10142 | RSA Northern Ireland Insurance Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 19 | GB | SC/549300HOGQ7E0TY86138GB10010 | Sal Pension Fund Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 20 | GB | SC/213800ANK59AYB612F23GB10157 | Sun Alliance Insurance Overseas Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 21 | GB | SC/213800ANK59AYB612F23GB10161 | Sun Insurance Office Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 22 | GB | LEI/213800XEBBP59GJ7RB65 | The Globe Insurance Company Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 23 | GB | SC/213800ANK59AYB612F23GB10164 | The London Assurance | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 24 | GB | LEI/213800ZPIJG2HWOKGX70 | The Marine Insurance Company Limited | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Prudential Regulation Authority |
| 25 | GB | SC/213800ANK59AYB612F23GB10176 | Westgate Properties Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 26 | IE | SC/2138007UK3VNVV5JQW88IE00001 | RSA Overseas Holdings (No. 2) Unlimited Company | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 27 | IE | SC/213800XEBBP59GJ7RB65GB10012 | RSA Overseas Holdings (No 1) Unlimited Company | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 28 | GB | SC/549300HOGQ7E0TY86138GB00003 | Royal Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 29 | GB | SC/549300HOGQ7E0TY86138GB00004 | R&SA Marketing Services Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 30 | GB | SC/213800ANK59AYB612F23GB00014 | Sun Alliance and London Insurance Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 31 | GB | LEI/549300HOGQ7E0TY86138 | RSA Insurance Group Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 32 | GB | SC/213800DXUS819BNLJN46GB00001 | Regent Subco Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 33 | GB | SC/213800ANK59AYB612F23GB10059 | UK Investment Management Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 34 | GB | SC/213800ANK59AYB612F23GB00003 | Emersons Green Management Company Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 35 | BR | SC/213800ANK59AYB612F23BR10110 | Royal & Sun Alliance Insurance Limited - Escritório de Representação no Brasil Ltda. | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 36 | GB | LEI/8945007ETYXPC0DWFO78 | Hempton Court Manco Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 37 | GG | LEI/213800GEYZIFG43S8671 | Intact Insurance Channel Islands Limited | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Guernsey Financial Services Commission |
| 38 | GG | LEI/213800UBK38YDFB2WZ49 | Intact Insurance Service Company Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 39 | GB | LEI/213800ANK59AYB612F23 | Intact Insurance UK Limited | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Prudential Regulation Authority |
| 40 | IN | LEI/213800RZ51278S7GQ681 | Intact Business Services Private Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |
| 41 | IE | LEI/635400PUDJ8XTX9SFW67 | Intact Insurance Ireland DAC | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Central Bank of Ireland |
| 42 | LU | LEI/213800PT2YLSYDVYLA41 | Intact Insurance (Europe) SA | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Commissariat aux Assurances |
| 43 | IM | LEI/213800GQHZOG5CX23H28 | Intact Insurance Isle of Man Limited | Non life insurance undertaking | Company limited by shares or by guarantee or unlimited | Non-mutual | Isle of Man Financial Services Authority |
| 44 | GB | SC/213800ANK59AYB612F23GB10031 | Intact Law Limited | Other | Company limited by shares or by guarantee or unlimited | Non-mutual | 0 |

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## Undertakings in the scope of the group

| | | | | | Criteria of influence | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation |
| Row | C0010 | C0020 | C0040 | C0050 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 |
| 1 | IE | LEI/2138003HL1YHLUM7ZI84 | 123 Money Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 2 | GB | SC/213800ANK59AYB612F23 GB10035 | Alliance Assurance Company Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 3 | IE | LEI/6354002QMLYRFBNBZO30 | Benchmark Underwriting Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 4 | GB | SC/213800ANK59AYB612F23GB10046 | Centrium Management Company Limited | Other | 31.45% | 31.45% | 31.45% | 0 | Significant | 31.45% |
| 5 | IE | SC/213800ANK59AYB612F23IE10052 | EGI Holdings Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 6 | GB | SC/213800ANK59AYB612F23GB10089 | Non-Destructive Testers Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 7 | GB | LEI/213800Q93FUZEKDNTD30 | Polaris U.K. Limited | Other | 25.38% | 25.38% | 25.38% | 0 | Significant | 25.38% |
| 8 | GB | LEI/8945007F5218LZ1NQS70 | Punchbowl Park Management Limited | Other | 65.09% | 65.09% | 65.09% | No ability to control activities of investee | Significant | 65.09% |
| 9 | GB | SC/549300HOGQ7E0TY86138GB10007 | Royal & Sun Alliance Pension Trustee Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 10 | GB | LEI/213800TWB86O896DND08 | Royal & Sun Alliance Reinsurance Limited | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 11 | GB | SC/213800ANK59AYB612F23GB10120 | Royal Insurance (U.K.) Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 12 | GB | SC/213800ANK59AYB612F23GB10014 | Royal Insurance Operational Services (U.K.) Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 13 | GB | LEI/213800DXUS819BNLJN46 | Royal International Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 14 | GB | SC/213800ANK59AYB612F23GB10126 | Roysun Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 15 | GB | SC/549300HOGQ7E0TY86138GB10127 | RSA Accident Repairs Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 16 | IM | SC/213800ANK59AYB612F23IM10140 | RSA Isle of Man No.1 Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 17 | GB | SC/213800ANK59AYB612F23GB10141 | RSA Law Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 18 | GB | SC/213800ANK59AYB612F23GB10142 | RSA Northern Ireland Insurance Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 19 | GB | SC/549300HOGQ7E0TY86138GB10010 | Sal Pension Fund Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 20 | GB | SC/213800ANK59AYB612F23GB10157 | Sun Alliance Insurance Overseas Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 21 | GB | SC/213800ANK59AYB612F23GB10161 | Sun Insurance Office Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 22 | GB | LEI/213800XEBBP59GJ7RB65 | The Globe Insurance Company Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 23 | GB | SC/213800ANK59AYB612F23GB10164 | The London Assurance | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 24 | GB | LEI/213800ZPIJG2HWOKGX70 | The Marine Insurance Company Limited | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 25 | GB | SC/213800ANK59AYB612F23GB10176 | Westgate Properties Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 26 | IE | SC/2138007UK3VNVV5JQW88IE00001 | RSA Overseas Holdings (No. 2) Unlimited Company | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 27 | IE | SC/213800XEBBP59GJ7RB65GB10012 | RSA Overseas Holdings (No 1) Unlimited Company | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 28 | GB | SC/549300HOGQ7E0TY86138GB00003 | Royal Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 29 | GB | SC/549300HOGQ7E0TY86138GB00004 | R&SA Marketing Services Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 30 | GB | SC/213800ANK59AYB612F23GB00014 | Sun Alliance and London Insurance Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 31 | GB | LEI/549300HOGQ7E0TY86138 | RSA Insurance Group Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | | | | | | |
| 32 | GB | SC/213800DXUS819BNLJN46GB00001 | Regent Subco Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 33 | GB | SC/213800ANK59AYB612F23GB10059 | UK Investment Management Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 34 | GB | SC/213800ANK59AYB612F23GB00003 | Emersons Green Management Company Limited | Other | 33.00% | 33.00% | 33.00% | 0 | Significant | 33.00% |
| 35 | BR | SC/213800ANK59AYB612F23BR10110 | Royal & Sun Alliance Insurance Limited - Escritório de Representação no Brasil Ltda. | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 36 | GB | LEI/8945007ETYXPC0DWFO78 | Hempton Court Manco Limited | Other | 62.50% | 62.50% | 62.50% | No ability to control activities of investee | Significant | 62.50% |
| 37 | GG | LEI/213800GEYZIFG43S8671 | Intact Insurance Channel Islands Limited | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 38 | GG | LEI/213800UBK38YDFB2WZ49 | Intact Insurance Service Company Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 39 | GB | LEI/213800ANK59AYB612F23 | Intact Insurance UK Limited | Non life insurance undertaking | 81.96% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 40 | IN | LEI/213800RZ51278S7GQ681 | Intact Business Services Private Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 41 | IE | LEI/635400PUDJ8XTX9SFW67 | Intact Insurance Ireland DAC | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 42 | LU | LEI/213800PT2YLSYDVYLA41 | Intact Insurance (Europe) SA | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 43 | IM | LEI/213800GQHZOG5CX23H28 | Intact Insurance Isle of Man Limited | Non life insurance undertaking | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |
| 44 | GB | SC/213800ANK59AYB612F23GB10031 | Intact Law Limited | Other | 100.00% | 100.00% | 100.00% | 0 | Dominant | 100.00% |

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## Undertakings in the scope of the group

| | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Yes/No | Date of decision if excluded | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0240 | C0250 | C0260 |
| 1 | IE | LEI/2138003HL1YHLUM7ZI84 | 123 Money Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 2 | GB | SC/213800ANK59AYB612F23 GB10035 | Alliance Assurance Company Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 3 | IE | LEI/6354002QMLYRFBNBZO30 | Benchmark Underwriting Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 4 | GB | SC/213800ANK59AYB612F23GB10046 | Centrium Management Company Limited | Other | Included in the scope | | Method 1: Adjusted Equity Method |
| 5 | IE | SC/213800ANK59AYB612F23IE10052 | EGI Holdings Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 6 | GB | SC/213800ANK59AYB612F23GB10089 | Non-Destructive Testers Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 7 | GB | LEI/213800Q93FUZEKDNTD30 | Polaris U.K. Limited | Other | Included in the scope | | Method 1: Adjusted Equity Method |
| 8 | GB | LEI/8945007F5218LZ1NQS70 | Punchbowl Park Management Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 9 | GB | SC/549300HOGQ7E0TY86138GB10007 | Royal & Sun Alliance Pension Trustee Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 10 | GB | LEI/213800TWB86O896DND08 | Royal & Sun Alliance Reinsurance Limited | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 11 | GB | SC/213800ANK59AYB612F23GB10120 | Royal Insurance (U.K.) Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 12 | GB | SC/213800ANK59AYB612F23GB10014 | Royal Insurance Operational Services (U.K.) Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 13 | GB | LEI/213800DXUS819BNLJN46 | Royal International Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Included in the scope | | Method 1: Full consolidation |
| 14 | GB | SC/213800ANK59AYB612F23GB10126 | Roysun Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 15 | GB | SC/549300HOGQ7E0TY86138GB10127 | RSA Accident Repairs Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 16 | IM | SC/213800ANK59AYB612F23IM10140 | RSA Isle of Man No.1 Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 17 | GB | SC/213800ANK59AYB612F23GB10141 | RSA Law Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 18 | GB | SC/213800ANK59AYB612F23GB10142 | RSA Northern Ireland Insurance Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 19 | GB | SC/549300HOGQ7E0TY86138GB10010 | Sal Pension Fund Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 20 | GB | SC/213800ANK59AYB612F23GB10157 | Sun Alliance Insurance Overseas Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 21 | GB | SC/213800ANK59AYB612F23GB10161 | Sun Insurance Office Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 22 | GB | LEI/213800XEBBP59GJ7RB65 | The Globe Insurance Company Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Included in the scope | | Method 1: Full consolidation |
| 23 | GB | SC/213800ANK59AYB612F23GB10164 | The London Assurance | Other | Included in the scope | | Method 1: Adjusted equity method |
| 24 | GB | LEI/213800ZPIJG2HWOKGX70 | The Marine Insurance Company Limited | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 25 | GB | SC/213800ANK59AYB612F23GB10176 | Westgate Properties Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 26 | IE | SC/2138007UK3VNVV5JQW88IE00001 | RSA Overseas Holdings (No. 2) Unlimited Company | Other | Included in the scope | | Method 1: Adjusted equity method |
| 27 | IE | SC/213800XEBBP59GJ7RB65GB10012 | RSA Overseas Holdings (No 1) Unlimited Company | Other | Included in the scope | | Method 1: Adjusted equity method |
| 28 | GB | SC/549300HOGQ7E0TY86138GB00003 | Royal Insurance Holdings Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Included in the scope | | Method 1: Full consolidation |
| 29 | GB | SC/549300HOGQ7E0TY86138GB00004 | R&SA Marketing Services Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 30 | GB | SC/213800ANK59AYB612F23GB00014 | Sun Alliance and London Insurance Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 31 | GB | LEI/549300HOGQ7E0TY86138 | RSA Insurance Group Limited | Insurance holding company as defined in the Glossary part of the PRA Rulebook | Included in the scope | | Method 1: Full consolidation |
| 32 | GB | SC/213800DXUS819BNLJN46GB00001 | Regent Subco Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 33 | GB | SC/213800ANK59AYB612F23GB10059 | UK Investment Management Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 34 | GB | SC/213800ANK59AYB612F23GB00003 | Emersons Green Management Company Limited | Other | Included in the scope | | Method 1: Adjusted Equity Method |
| 35 | BR | SC/213800ANK59AYB612F23BR10110 | Royal & Sun Alliance Insurance Limited - Escritório de Representação no Brasil Ltda. | Other | Included in the scope | | Method 1: Adjusted equity method |
| 36 | GB | LEI/8945007ETYXPC0DWFO78 | Hempton Court Manco Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 37 | GG | LEI/213800GEYZIFG43S8671 | Intact Insurance Channel Islands Limited | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 38 | GG | LEI/213800UBK38YDFB2WZ49 | Intact Insurance Service Company Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 39 | GB | LEI/213800ANK59AYB612F23 | Intact Insurance UK Limited | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 40 | IN | LEI/213800RZ51278S7GQ681 | Intact Business Services Private Limited | Other | Included in the scope | | Method 1: Adjusted equity method |
| 41 | IE | LEI/635400PUDJ8XTX9SFW67 | Intact Insurance Ireland DAC | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 42 | LU | LEI/213800PT2YLSYDVYLA41 | Intact Insurance (Europe) SA | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 43 | IM | LEI/213800GQHZOG5CX23H28 | Intact Insurance Isle of Man Limited | Non life insurance undertaking | Included in the scope | | Method 1: Full consolidation |
| 44 | GB | SC/213800ANK59AYB612F23GB10031 | Intact Law Limited | Other | Included in the scope | | Method 1: Adjusted equity method |

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## Balance sheet

| | | Solvency II value |
|---|---|---|
| | **Assets** | C0010 |
| R0030 | Intangible assets | 0 |
| R0040 | Deferred tax assets | 256,544 |
| R0050 | Pension benefit surplus | 37,258 |
| R0060 | Property, plant & equipment held for own use | 82,843 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 6,583,132 |
| R0080 | *Property (other than for own use)* | 375,863 |
| R0090 | *Holdings in related undertakings, including participations* | 962,923 |
| R0100 | *Equities* | 510,267 |
| R0110 | *Equities - listed* | 509,542 |
| R0120 | *Equities - unlisted* | 724 |
| R0130 | *Bonds* | 4,217,786 |
| R0140 | *Government Bonds* | 1,759,964 |
| R0150 | *Corporate Bonds* | 2,145,335 |
| R0160 | *Structured notes* | 0 |
| R0170 | *Collateralised securities* | 312,486 |
| R0180 | *Collective Investments Undertakings* | 429,055 |
| R0190 | *Derivatives* | 38,629 |
| R0200 | *Deposits other than cash equivalents* | 48,609 |
| R0210 | *Other investments* | 0 |
| R0220 | Assets held for index-linked and unit-linked contracts | 0 |
| R0230 | Loans and mortgages | 252,289 |
| R0240 | *Loans on policies* | 0 |
| R0250 | *Loans and mortgages to individuals* | 256 |
| R0260 | *Other loans and mortgages* | 252,033 |
| R0270 | Reinsurance recoverables from: | 838,490 |
| R0280 | *Non-life and health similar to non-life* | 742,493 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 95,997 |
| R0340 | *Life index-linked and unit-linked* | 0 |
| R0350 | Deposits to cedants | 26,826 |
| R0360 | Insurance and intermediaries receivables | 122,089 |
| R0370 | Reinsurance receivables | 20,794 |
| R0380 | Receivables (trade, not insurance) | 154,936 |
| R0390 | Own shares (held directly) | 0 |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | 0 |
| R0410 | Cash and cash equivalents | 41,806 |
| R0420 | Any other assets, not elsewhere shown | 16,066 |
| R0500 | **Total assets** | 8,433,072 |

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | Technical provisions - total | 5,193,630 |
| R0510 | *Technical provisions - non-life* | 4,955,519 |
| R0515 | *Technical provisions - life* | 238,111 |
| R0542 | Best estimate - total | 5,034,296 |
| R0544 | *Best estimate - non-life* | 4,816,002 |
| R0546 | *Best estimate - life* | 218,294 |
| R0552 | Risk margin - total | 159,334 |
| R0554 | *Risk margin - non-life* | 139,517 |
| R0556 | *Risk margin - life* | 19,817 |
| R0565 | Transitional (TMTP) - life | 0 |
| R0740 | Contingent liabilities | 7,023 |
| R0750 | Provisions other than technical provisions | 22,519 |
| R0760 | Pension benefit obligations | 2,534 |
| R0770 | Deposits from reinsurers | 0 |
| R0780 | Deferred tax liabilities | 36 |
| R0790 | Derivatives | 16,185 |
| R0800 | Debts owed to credit institutions | 48,692 |
| R0810 | Financial liabilities other than debts owed to credit institutions | 419,344 |
| R0820 | Insurance & intermediaries payables | 163,847 |
| R0830 | Reinsurance payables | 1,795 |
| R0840 | Payables (trade, not insurance) | 373,720 |
| R0850 | Subordinated liabilities | 0 |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | 0 |
| R0870 | *Subordinated liabilities in Basic Own Funds* | 0 |
| R0880 | Any other liabilities, not elsewhere shown | 202,172 |
| R0900 | **Total liabilities** | 6,451,497 |
| R1000 | **Excess of assets over liabilities** | 1,981,575 |

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## Premiums, claims and expenses by country: Non-life obligations

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R0010 | | | CA | IE | LU | US | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | Gross - Direct Business | 1,874,468 | 0 | 0 | 0 | 0 | | 1,874,468 |
| R0120 | Gross - Proportional reinsurance accepted | 277,562 | 847,759 | 206,929 | 189,210 | 104,455 | | 1,625,914 |
| R0130 | Gross - Non-proportional reinsurance accepted | 9,543 | 0 | 0 | 0 | 0 | | 9,543 |
| R0140 | Reinsurers' share | 350,474 | 0 | 0 | 0 | 44,445 | | 394,919 |
| R0200 | Net | 1,811,099 | 847,759 | 206,929 | 189,210 | 60,010 | | 3,115,006 |
| | **Premiums earned** | | | | | | | |
| R0210 | Gross - Direct Business | 2,008,563 | 0 | 0 | 0 | 0 | | 2,008,563 |
| R0220 | Gross - Proportional reinsurance accepted | 424,498 | 790,352 | 203,835 | 188,978 | 104,717 | | 1,712,380 |
| R0230 | Gross - Non-proportional reinsurance accepted | 9,786 | 0 | 0 | 0 | 0 | | 9,786 |
| R0240 | Reinsurers' share | 361,878 | 0 | 0 | 0 | 45,700 | | 407,578 |
| R0300 | Net | 2,080,969 | 790,352 | 203,835 | 188,978 | 59,017 | | 3,323,151 |
| | **Claims incurred** | | | | | | | |
| R0310 | Gross - Direct Business | 942,474 | 0 | -161 | 0 | 0 | | 942,313 |
| R0320 | Gross - Proportional reinsurance accepted | 118,458 | 544,800 | 102,934 | 103,517 | 52,503 | | 922,211 |
| R0330 | Gross - Non-proportional reinsurance accepted | 11,842 | 0 | -443 | 0 | 0 | | 11,400 |
| R0340 | Reinsurers' share | 40,760 | 0 | 0 | 0 | 13,047 | | 53,807 |
| R0400 | Net | 1,032,014 | 544,800 | 102,330 | 103,517 | 39,456 | | 1,822,116 |
| R0550 | **Net expenses incurred** | 977,572 | 198,093 | 81,397 | 57,891 | 8,769 | | 1,323,722 |

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## Premiums, claims and expenses by country: Life obligations

| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R1400 | | | | | | | | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| | **Premiums written** | | | | | | | |
| R1410 | Gross | 0 | | | | | | 0 |
| R1420 | Reinsurers' share | 0 | | | | | | 0 |
| R1500 | Net | 0 | | | | | | 0 |
| | **Premiums earned** | | | | | | | |
| R1510 | Gross | 0 | | | | | | 0 |
| R1520 | Reinsurers' share | 0 | | | | | | 0 |
| R1600 | Net | 0 | | | | | | 0 |
| | **Claims incurred** | | | | | | | |
| R1610 | Gross | 35,319 | | | | | | 35,319 |
| R1620 | Reinsurers' share | 13,786 | | | | | | 13,786 |
| R1700 | Net | 21,533 | | | | | | 21,533 |
| R1900 | **Net expenses incurred** | 0 | | | | | | 0 |

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**Non-life income and expenditure : reporting period**

| | | All business (including annuities stemming from accepted non-life insurance and reinsurance contracts) | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance - personal lines | Motor vehicle liability insurance - non-personal lines | Motor vehicle other motor insurance - personal lines | Motor vehicle other motor insurance - non-personal lines | Marine, aviation and transport insurance | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines |
| | | C0010 | C0015 | C0110 | C0120 | C0130 | C0140 | C0141 | C0150 | C0151 | C0160 | C0170 | C0180 |
| | **Income** | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | |
| R0110 | Gross written premiums | | 3,577,937 | 0 | -139 | 0 | 490,701 | 171,106 | 237,487 | 115,767 | 287,704 | 490,344 | 1,085,131 |
| R0111 | Gross written premiums - insurance (direct) | | 1,884,924 | 0 | 0 | 0 | 14,444 | 139,929 | 7,414 | 108,936 | 120,844 | 220,343 | 742,439 |
| R0113 | Gross written premiums - accepted reinsurance | | 1,693,012 | 0 | -139 | 0 | 476,257 | 31,177 | 230,074 | 6,831 | 166,860 | 270,001 | 342,692 |
| R0160 | Net written premiums | | 3,169,180 | 0 | -139 | 0 | 489,621 | 159,700 | 237,487 | 114,596 | 211,372 | 467,321 | 855,279 |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | |
| R0210 | Gross earned premiums | | 3,783,210 | 0 | 312 | 0 | 461,495 | 181,015 | 221,791 | 127,808 | 275,506 | 591,999 | 1,169,360 |
| R0220 | Net earned premiums | | 3,361,837 | 0 | 312 | 0 | 460,415 | 159,603 | 221,791 | 126,713 | 207,095 | 567,720 | 931,063 |
| | **Expenditure** | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 2,085,785 | 0 | 244 | 0 | 341,240 | 52,374 | 164,493 | 91,891 | 113,397 | 410,652 | 453,229 |
| R0611 | Gross (undiscounted) direct business | | 1,075,659 | 0 | 0 | 0 | 2,194 | 56,276 | 7,740 | 56,545 | 54,671 | 243,970 | 306,211 |
| R0612 | Gross (undiscounted) reinsurance accepted | | 1,010,126 | 0 | 244 | 0 | 339,047 | -3,902 | 156,753 | 35,347 | 58,726 | 166,682 | 147,019 |
| R0690 | Net (undiscounted) claims incurred | | 2,004,422 | 0 | 244 | 0 | 373,817 | -62,093 | 209,987 | 102,524 | 98,128 | 405,243 | 481,369 |
| R0730 | Net (discounted) claims incurred | 1,853,274 | 1,831,741 | | | | | | | | | | |
| | **Analysis of expenses incurred** | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | 1,328,538 | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 1,055,110 | 1,055,110 | 0 | 125 | 0 | 121,469 | 70,805 | 60,509 | 25,307 | 70,474 | 177,490 | 344,218 |
| | **Other expenditure** | | | | | | | | | | | | |
| R1140 | Other expenses | 382,904 | | | | | | | | | | | |
| R1310 | **Total expenditure** | 3,587,290 | | | | | | | | | | | |

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**Non-life income and expenditure : reporting period**

| | | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | Accepted non-proportional reinsurance | | | | Annuities stemming from non-life insurance contracts | Annuities stemming from non-life accepted reinsurance contracts |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | General liability insurance | | | | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation and transport | Property | | |
| | | Employers Liability | Public & products Liability | Professional Indemnity | Other general liability | | | | | | | | | | |
| | | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0310 | C0320 | C0330 | C0340 | C0525 | C0545 |
| | **Income** | | | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | | | |
| R0110 | Gross written premiums | 112,291 | 276,205 | 179,246 | 51,658 | 0 | 2,921 | 0 | 67,970 | 0 | 0 | 0 | 9,543 | | |
| R0111 | Gross written premiums - insurance (direct) | 66,372 | 205,735 | 178,208 | 9,142 | 0 | 2,921 | 0 | 68,198 | | | | | | |
| R0113 | Gross written premiums - accepted reinsurance | 45,920 | 70,470 | 1,038 | 42,516 | 0 | 0 | 0 | -227 | 0 | 0 | 0 | 9,543 | | |
| R0160 | Net written premiums | 107,858 | 232,360 | 169,781 | 45,483 | 0 | 2,921 | 0 | 65,996 | 0 | 0 | 0 | 9,543 | | |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | | | |
| R0210 | Gross earned premiums | 110,271 | 244,551 | 161,158 | 57,851 | 0 | 3,880 | 0 | 166,425 | 0 | 0 | 0 | 9,786 | | |
| R0220 | Net earned premiums | 105,905 | 202,355 | 151,355 | 49,312 | 0 | 3,880 | 0 | 164,532 | 0 | 0 | 0 | 9,786 | | |
| | **Expenditure** | | | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | 74,699 | 129,363 | 109,858 | 39,938 | 0 | 2,015 | 7 | 97,151 | 0 | -2,235 | 0 | 7,469 | | |
| R0611 | Gross (undiscounted) direct business | 32,611 | 96,212 | 107,797 | 7,729 | 0 | 2,015 | 0 | 101,688 | | | | | | |
| R0612 | Gross (undiscounted) reinsurance accepted | 42,088 | 33,151 | 2,060 | 32,209 | 0 | 0 | 7 | -4,538 | 0 | -2,235 | 0 | 7,469 | | |
| R0690 | Net (undiscounted) claims incurred | 74,868 | 109,931 | 80,026 | 33,360 | 0 | 2,006 | 7 | 96,579 | 0 | -2,119 | 0 | 546 | | |
| R0730 | Net (discounted) claims incurred | | | | | | | | | | | | | 21,439 | 94 |
| | **Analysis of expenses incurred** | | | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | | | | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 27,066 | 45,581 | 37,339 | 19,621 | 0 | 425 | 0 | 54,681 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Other expenditure** | | | | | | | | | | | | | | |
| R1140 | Other expenses | | | | | | | | | | | | | | |
| R1310 | **Total expenditure** | | | | | | | | | | | | | | |

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**Life technical provisions**

| | | Insurance with profit participation | Index-linked and unit-linked insurance | Life annuities | Non-life annuities | Other life insurance | Health insurance | Total life and health |
|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | **Best estimate** | | | | | | | |
| R0025 | Gross Best Estimate (direct business) | 0 | 0 | 0 | 214,845 | 0 | 0 | 214,845 |
| R0026 | Gross Best Estimate (reinsurance accepted) | 0 | 0 | 0 | 3,449 | 0 | 0 | 3,449 |
| R0030 | **Gross Best Estimate** | 0 | 0 | 0 | 218,294 | 0 | 0 | 218,294 |
| R0080 | Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | 95,997 | 0 | 0 | 95,997 |
| R0090 | Best estimate minus recoverables from reinsurance/SPV and Finite Re | 0 | 0 | 0 | 122,297 | 0 | 0 | 122,297 |
| R0100 | **Risk margin** | 0 | 0 | 0 | 19,817 | 0 | 0 | 19,817 |
| | **Amount of the transitional on Technical Provisions** | | | | | | | |
| R0140 | TMTP - risk margin | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0150 | TMTP - best estimate dynamic component | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0160 | TMTP - best estimate non-dynamic component | | | | | | | 0 |
| R0170 | TMTP - amortisation adjustment | | | | | | | 0 |
| R0180 | **Transitional Measure on Technical Provisions** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0200 | **Technical provisions - total** | 0 | 0 | 0 | 238,111 | 0 | 0 | 238,111 |

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**Non-Life Technical Provisions**

| | | Direct business and accepted proportional reinsurance | | | | | | | | | | | | Accepted non-proportional reinsurance | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | Total Non-Life obligation |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 | C0150 | C0160 | C0170 | C0180 |
| | **Best estimate** | | | | | | | | | | | | | | | | | |
| | **Premium provisions** | | | | | | | | | | | | | | | | | |
| R0060 | Gross | 0 | 10 | 0 | 170,330 | 100,152 | 10,757 | 151,338 | 79,159 | 6 | -271 | 0 | 8,419 | 0 | 0 | 0 | -3,824 | 516,075 |
| R0140 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | -1,339 | -11 | -9,335 | -40,347 | 11,678 | 0 | 0 | 0 | -21 | 0 | 0 | 0 | 0 | -39,374 |
| R0150 | **Net Best Estimate of Premium Provisions** | 0 | 10 | 0 | 171,668 | 100,162 | 20,093 | 191,685 | 67,480 | 6 | -271 | 0 | 8,439 | 0 | 0 | 0 | -3,824 | 555,449 |
| | **Claims provisions** | | | | | | | | | | | | | | | | | |
| R0160 | Gross | 0 | 581 | 0 | 1,414,240 | 63,794 | 182,100 | 1,222,057 | 1,331,970 | 1,788 | 3,104 | 3 | 29,847 | -9 | 39,911 | 0 | 10,543 | 4,299,927 |
| R0240 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | 358,790 | -6,924 | 12,882 | 177,638 | 227,068 | 295 | -325 | 0 | 12,442 | 0 | 0 | 0 | 0 | 781,867 |
| R0250 | **Net Best Estimate of Claims Provisions** | 0 | 581 | 0 | 1,055,450 | 70,717 | 169,217 | 1,044,418 | 1,104,902 | 1,492 | 3,430 | 3 | 17,406 | -9 | 39,911 | 0 | 10,543 | 3,518,060 |
| R0260 | **Total best estimate - gross** | 0 | 591 | 0 | 1,584,570 | 163,945 | 192,857 | 1,373,395 | 1,411,129 | 1,793 | 2,833 | 3 | 38,266 | -9 | 39,911 | 0 | 6,720 | 4,816,002 |
| R0270 | **Total best estimate - net** | 0 | 591 | 0 | 1,227,119 | 170,879 | 189,310 | 1,236,103 | 1,172,382 | 1,498 | 3,158 | 3 | 25,845 | -9 | 39,911 | 0 | 6,720 | 4,073,509 |
| R0280 | **Risk margin** | 0 | 8 | 0 | 50,299 | 3,134 | 4,752 | 28,364 | 51,106 | 37 | 63 | 0 | 761 | 0 | 765 | 0 | 228 | 139,517 |
| R0320 | **Technical provisions - total** | 0 | 599 | 0 | 1,634,869 | 167,080 | 197,608 | 1,401,759 | 1,462,234 | 1,831 | 2,896 | 3 | 39,027 | -9 | 40,676 | 0 | 6,948 | 4,955,519 |
| R0330 | **Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total** | 0 | 0 | 0 | 357,451 | -6,934 | 3,547 | 137,291 | 238,746 | 295 | -325 | 0 | 12,421 | 0 | 0 | 0 | 0 | 742,493 |
| R0340 | **Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total** | 0 | 599 | 0 | 1,277,418 | 174,014 | 194,061 | 1,264,467 | 1,223,488 | 1,535 | 3,221 | 3 | 26,606 | -9 | 40,676 | 0 | 6,948 | 4,213,026 |

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**Non-Life insurance claims**

**Total Non-life business**

Z0020 Accident year / underwriting year: Accident year

**Gross Claims Paid (non-cumulative)**
(absolute amount)

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0170 | C0180 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | In Current year | Sum of years (cumulative) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | | |
| R0100 | Prior | | | | | | | | | | | 36,054 | 36,054 | 36,054 |
| R0160 | -9 | 894,303 | 510,232 | 197,540 | 121,867 | 82,213 | 76,525 | 33,538 | 24,333 | 25,221 | 13,547 | | 13,547 | 1,979,319 |
| R0170 | -8 | 917,525 | 587,622 | 257,275 | 124,338 | 86,585 | 81,266 | 63,142 | 34,422 | 42,332 | | | 42,332 | 2,194,507 |
| R0180 | -7 | 949,175 | 672,532 | 231,800 | 136,603 | 106,400 | 92,163 | 44,951 | 35,679 | | | | 35,679 | 2,269,304 |
| R0190 | -6 | 883,016 | 484,309 | 222,969 | 130,510 | 105,835 | 64,008 | 49,972 | | | | | 49,972 | 1,940,619 |
| R0200 | -5 | 757,511 | 544,639 | 173,571 | 130,156 | 119,226 | 98,297 | | | | | | 98,297 | 1,823,399 |
| R0210 | -4 | 706,958 | 469,994 | 203,020 | 134,937 | 115,621 | | | | | | | 115,621 | 1,630,530 |
| R0220 | -3 | 866,542 | 659,119 | 246,138 | 168,288 | | | | | | | | 168,288 | 1,940,088 |
| R0230 | -2 | 912,511 | 596,902 | 234,643 | | | | | | | | | 234,643 | 1,744,056 |
| R0240 | -1 | 885,832 | 554,687 | | | | | | | | | | 554,687 | 1,440,519 |
| R0250 | 0 | 740,630 | | | | | | | | | | | 740,630 | 740,630 |
| R0260 | | | | | | | | | | | | Total | 2,089,750 | 17,739,024 |

**Gross Undiscounted Best Estimate Claims Provisions**
(absolute amount)

| | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0360 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | Year end (discounted data) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | |
| R0100 | Prior | | | | | | | | | | | 253,360 | 231,444 |
| R0160 | -9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 75,173 | 58,872 | | 55,042 |
| R0170 | -8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 115,415 | 95,998 | | | 89,837 |
| R0180 | -7 | 0 | 0 | 0 | 0 | 0 | 0 | 142,489 | 121,878 | | | | 112,994 |
| R0190 | -6 | 0 | 0 | 0 | 0 | 0 | 458,731 | 396,431 | | | | | 100,637 |
| R0200 | -5 | 0 | 0 | 0 | 0 | 353,405 | 281,146 | | | | | | 262,239 |
| R0210 | -4 | 0 | 0 | 0 | 372,129 | 255,530 | | | | | | | 237,306 |
| R0220 | -3 | 0 | 0 | 610,457 | 448,846 | | | | | | | | 417,264 |
| R0230 | -2 | 0 | 873,414 | 599,814 | | | | | | | | | 559,955 |
| R0240 | -1 | 1,877,360 | 928,920 | | | | | | | | | | 866,391 |
| R0250 | 0 | 1,713,292 | | | | | | | | | | | 1,609,623 |
| R0260 | | | | | | | | | | | | Total | 4,542,732 |

**Gross premium**

| | | C0570 | C0580 |
|---|---|---|---|
| | | Gross earned premium at reporting reference date | Estimate of future gross earned premium |
| R0160 | N-9 | 3,642,000 | 0 |
| R0170 | N-8 | 4,144,195 | 0 |
| R0180 | N-7 | 3,862,860 | 0 |
| R0190 | N-6 | 3,829,791 | 0 |
| R0200 | N-5 | 3,560,482 | 0 |
| R0210 | N-4 | 3,815,629 | 0 |
| R0220 | N-3 | 3,716,877 | 0 |
| R0230 | N-2 | 3,572,605 | 0 |
| R0240 | N-1 | 4,048,083 | 0 |
| R0250 | N | 3,783,210 | 0 |

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## Impact of long term guarantees measures and transitionals

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0050 | C0070 | C0090 |
| R0010 | Technical provisions | 5,193,630 | 0 | 0 | 33,797 | 0 |
| R0020 | Basic own funds | 1,907,522 | 0 | 0 | -23,208 | 0 |
| R0050 | Eligible own funds to meet Solvency Capital Requirement | 2,086,822 | 0 | 0 | -23,208 | 0 |
| R0090 | Solvency Capital Requirement | 1,238,960 | 0 | 0 | 0 | 0 |
| R0100 | Eligible own funds to meet Minimum Capital Requirement | 1,650,978 | 0 | 0 | -23,208 | 0 |
| R0110 | Minimum Capital Requirement | 557,532 | 0 | 0 | 0 | 0 |

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## Own Funds

| | | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 1,135,467 | 1,135,467 | | 0 | |
| R0030 | Share premium account related to ordinary share capital | 0 | 0 | | 0 | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | 0 | 0 | | 0 | |
| R0050 | Subordinated mutual member accounts | 0 | | 0 | 0 | 0 |
| R0070 | Surplus funds | 0 | 0 | | | |
| R0090 | Preference shares | 0 | | 0 | 0 | 0 |
| R0110 | Share premium account related to preference shares | 0 | | 0 | 0 | 0 |
| R0130 | Reconciliation reserve | 515,511 | 515,511 | | | |
| R0140 | Subordinated liabilities | 0 | | 0 | 0 | 0 |
| R0160 | An amount equal to the value of net deferred tax assets | 256,544 | | | | 256,544 |
| R0180 | Other own fund items approved by the supervisory authority as basic own funds not specified above | 0 | 0 | 0 | 0 | 0 |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | 0 | | | | |
| R0290 | **Total basic own funds** | 1,907,522 | 1,650,978 | 0 | 0 | 256,544 |
| | **Ancillary own funds** | | | | | |
| R0300 | Unpaid and uncalled ordinary share capital callable on demand | 250,000 | | | 250,000 | |
| R0310 | Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | 0 | | | 0 | |
| R0320 | Unpaid and uncalled preference shares callable on demand | 0 | | | 0 | 0 |
| R0330 | A legally binding commitment to subscribe and pay for subordinated liabilities on demand | 0 | | | 0 | 0 |
| R0340 | Letters of credit and guarantees | 0 | | | 0 | |
| R0350 | Letters of credit and guarantees other | 0 | | | 0 | 0 |
| R0360 | Supplementary members calls | 0 | | | 0 | |
| R0370 | Supplementary members calls - other | 0 | | | 0 | 0 |
| R0390 | Other ancillary own funds | 0 | | | 0 | 0 |
| R0400 | **Total ancillary own funds** | 250,000 | | | 250,000 | 0 |
| | **Available and eligible own funds** | | | | | |
| R0500 | Total available own funds to meet the SCR | 2,157,522 | 1,650,978 | 0 | 250,000 | 256,544 |
| R0510 | Total available own funds to meet the MCR | 1,650,978 | 1,650,978 | 0 | 0 | |
| R0540 | Total eligible own funds to meet the SCR | 2,086,822 | 1,650,978 | 0 | 250,000 | 185,844 |
| R0550 | Total eligible own funds to meet the MCR | 1,650,978 | 1,650,978 | 0 | 0 | |
| R0580 | **SCR** | 1,238,960 | | | | |
| R0600 | **MCR** | 557,532 | | | | |
| R0620 | **Ratio of Eligible own funds to SCR** | 168.43% | | | | |
| R0640 | **Ratio of Eligible own funds to MCR** | 296.12% | | | | |

| | | |
|---|---|---|
| | **Reconcilliation reserve** | C0060 |
| R0700 | Excess of assets over liabilities | 1,981,575 |
| R0710 | Own shares (held directly and indirectly) | 0 |
| R0720 | Foreseeable dividends, distributions and charges | 74,053 |
| R0725 | Deductions for participations in financial and credit institutions | |
| R0730 | Other basic own fund items | 1,392,011 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | |
| R0760 | **Reconciliation reserve** | 515,511 |

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## Solvency Capital Requirement

**Net of loss absorbing capacity of technical provisions**

| | | C0010 |
|---|---|---|
| | **Market risk** | |
| R0070 | Interest rate risk | 49,295 |
| R0080 | Equity risk | 136,495 |
| R0090 | Property risk | 89,683 |
| R0100 | Spread risk | 372,948 |
| R0110 | Concentration risk | 0 |
| R0120 | Currency risk | 107,280 |
| R0125 | Other market risk | 0 |
| R0130 | Diversification within market risk | -605,617 |
| R0140 | **Total Market risk** | 150,084 |
| | **Counterparty default risk** | |
| R0150 | Type 1 exposures | 78,232 |
| R0160 | Type 2 exposures | 0 |
| R0165 | Other counterparty risk | 0 |
| R0170 | Diversification within counterparty default risk | 0 |
| R0180 | **Total Counterparty default risk** | 78,232 |
| | **Life underwriting risk** | |
| R0190 | Mortality risk | 0 |
| R0200 | Longevity risk | 0 |
| R0210 | Disability-Morbidity risk | 0 |
| R0220 | Life-expense risk | 0 |
| R0230 | Revision risk | 0 |
| R0240 | Lapse risk | 0 |
| R0250 | Life catastrophe risk | 0 |
| R0255 | Other life underwriting risk | 0 |
| R0260 | Diversification within life underwriting risk | 0 |
| R0270 | **Total Life underwriting risk** | 0 |
| | **Health underwriting risk** | |
| R0280 | Health SLT risk | 0 |
| R0290 | Health non SLT risk | 0 |
| R0300 | Health catastrophe risk | 0 |
| R0305 | Other health underwriting risk | 0 |
| R0310 | Diversification within health underwriting risk | 0 |
| R0320 | **Total Health underwriting risk** | 0 |
| | **Non-life underwriting risk** | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | 911,182 |
| R0340 | Non-life catastrophe risk | 549,808 |
| R0350 | Lapse risk | 0 |
| R0355 | Other non-life underwriting risk | 0 |
| R0360 | Diversification within non-life underwriting risk | 0 |
| R0370 | **Non-life underwriting risk** | 1,460,990 |
| R0400 | **Intangible asset risk** | 0 |
| | **Operational and other risks** | |
| R0422 | Operational risk | 151,170 |
| R0424 | Other risks | 192,586 |
| R0430 | **Total Operational and other risks** | 343,756 |
| R0432 | **Total before all diversification** | 2,638,680 |
| R0434 | Total before diversification between risk modules | 2,033,062 |
| R0436 | Diversification between risk modules | -794,102 |
| R0438 | **Total after diversification** | 1,238,960 |
| R0440 | Loss absorbing capacity of technical provisions | 0 |
| R0450 | Loss absorbing capacity of deferred tax | 0 |
| R0455 | Other adjustments | 0 |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 1,238,960 |
| R0472 | Disclosed capital add-on - excluding residual model limitation | 0 |
| R0474 | Disclosed capital add-on - residual model limitation | 0 |
| R0480 | **Solvency capital requirement including capital add-on** | 1,238,960 |
| R0490 | Biting interest rate scenario | Decrease |
| R0495 | Biting life lapse scenario | |

IR.28.01.01

## Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

| | **Linear formula component for non-life insurance and reinsurance obligations** | C0010 |
|---|---|---|
| R0010 | $MCR_{NL}$ Result | 696,904 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
|---|---|---|---|
| | | C0020 | C0030 |
| R0020 | Medical expense insurance and proportional reinsurance | 0 | 0 |
| R0030 | Income protection insurance and proportional reinsurance | 591 | 0 |
| R0040 | Workers' compensation insurance and proportional reinsurance | 0 | 0 |
| R0050 | Motor vehicle liability insurance and proportional reinsurance | 1,349,416 | 649,321 |
| R0060 | Other motor insurance and proportional reinsurance | 170,879 | 352,083 |
| R0070 | Marine, aviation and transport insurance and proportional reinsurance | 189,310 | 211,372 |
| R0080 | Fire and other damage to property insurance and proportional reinsurance | 1,236,103 | 1,322,600 |
| R0090 | General liability insurance and proportional reinsurance | 1,172,382 | 555,483 |
| R0100 | Credit and suretyship insurance and proportional reinsurance | 1,498 | 0 |
| R0110 | Legal expenses insurance and proportional reinsurance | 3,158 | 2,921 |
| R0120 | Assistance and proportional reinsurance | 3 | 0 |
| R0130 | Miscellaneous financial loss insurance and proportional reinsurance | 25,845 | 65,996 |
| R0140 | Non-proportional health reinsurance | 0 | 0 |
| R0150 | Non-proportional casualty reinsurance | 39,911 | 0 |
| R0160 | Non-proportional marine, aviation and transport reinsurance | 0 | 0 |
| R0170 | Non-proportional property reinsurance | 6,720 | 9,543 |

| | **Linear formula component for life insurance and reinsurance obligations** | C0040 |
|---|---|---|
| R0200 | $MCR_{L}$ Result | 0 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
|---|---|---|---|
| | | C0050 | C0060 |
| R0210 | Obligations with profit participation - guaranteed benefits | 0 | |
| R0220 | Obligations with profit participation - future discretionary benefits | 0 | |
| R0230 | Index-linked and unit-linked insurance obligations | 0 | |
| R0240 | Other life (re)insurance and health (re)insurance obligations | 0 | |
| R0250 | Total capital at risk for all life (re)insurance obligations | | 0 |

| | **Overall MCR calculation** | C0070 |
|---|---|---|
| R0300 | Linear MCR | 696,904 |
| R0310 | SCR | 1,238,960 |
| R0320 | MCR cap | 557,532 |
| R0330 | MCR floor | 309,740 |
| R0340 | Combined MCR | 557,532 |
| R0350 | Absolute floor of the MCR | 3,500 |
| R0400 | **Minimum Capital Requirement** | 557,532 |

**IR.02.01.02**

## Balance sheet

| | | Solvency II value |
|---|---|---|
| | **Assets** | C0010 |
| R0030 | Intangible assets | 0 |
| R0040 | Deferred tax assets | 158 |
| R0050 | Pension benefit surplus | 0 |
| R0060 | Property, plant & equipment held for own use | 0 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 70,013 |
| R0080 | *Property (other than for own use)* | 0 |
| R0090 | *Holdings in related undertakings, including participations* | 0 |
| R0100 | *Equities* | 0 |
| R0110 | *Equities - listed* | 0 |
| R0120 | *Equities - unlisted* | 0 |
| R0130 | *Bonds* | 70,013 |
| R0140 | *Government Bonds* | 47,042 |
| R0150 | *Corporate Bonds* | 13,925 |
| R0160 | *Structured notes* | 0 |
| R0170 | *Collateralised securities* | 9,046 |
| R0180 | *Collective Investments Undertakings* | 0 |
| R0190 | *Derivatives* | 0 |
| R0200 | *Deposits other than cash equivalents* | 0 |
| R0210 | *Other investments* | 0 |
| R0220 | Assets held for index-linked and unit-linked contracts | 0 |
| R0230 | Loans and mortgages | 0 |
| R0240 | *Loans on policies* | 0 |
| R0250 | *Loans and mortgages to individuals* | 0 |
| R0260 | *Other loans and mortgages* | 0 |
| R0270 | Reinsurance recoverables from: | 294,573 |
| R0280 | *Non-life and health similar to non-life* | 294,573 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 0 |
| R0340 | *Life index-linked and unit-linked* | 0 |
| R0350 | Deposits to cedants | 0 |
| R0360 | Insurance and intermediaries receivables | 3,105 |
| R0370 | Reinsurance receivables | 19,280 |
| R0380 | Receivables (trade, not insurance) | 18,970 |
| R0390 | Own shares (held directly) | 0 |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | 0 |
| R0410 | Cash and cash equivalents | 47 |
| R0420 | Any other assets, not elsewhere shown | 0 |
| R0500 | **Total assets** | 406,146 |

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | Technical provisions - total | 292,845 |
| R0510 | *Technical provisions - non-life* | 292,845 |
| R0515 | *Technical provisions - life* | 0 |
| R0542 | Best estimate - total | 292,829 |
| R0544 | *Best estimate - non-life* | 292,829 |
| R0546 | *Best estimate - life* | 0 |
| R0552 | Risk margin - total | 15 |
| R0554 | *Risk margin - non-life* | 15 |
| R0556 | *Risk margin - life* | 0 |
| R0565 | Transitional (TMTP) - life | 0 |
| R0740 | Contingent liabilities | 0 |
| R0750 | Provisions other than technical provisions | 0 |
| R0760 | Pension benefit obligations | 0 |
| R0770 | Deposits from reinsurers | 0 |
| R0780 | Deferred tax liabilities | 0 |
| R0790 | Derivatives | 0 |
| R0800 | Debts owed to credit institutions | 0 |
| R0810 | Financial liabilities other than debts owed to credit institutions | 0 |
| R0820 | Insurance & intermediaries payables | 20,801 |
| R0830 | Reinsurance payables | 8,706 |
| R0840 | Payables (trade, not insurance) | 89 |
| R0850 | Subordinated liabilities | 0 |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | 0 |
| R0870 | *Subordinated liabilities in Basic Own Funds* | 0 |
| R0880 | Any other liabilities, not elsewhere shown | 257 |
| R0900 | **Total liabilities** | 322,698 |
| R1000 | **Excess of assets over liabilities** | 83,448 |

**IR.05.02.01**

## Premiums, claims and expenses by country: Non-life obligations

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R0010 | | | US | ES | NL | CA | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | Gross - Direct Business | 0 | 0 | 0 | 0 | 0 | | 0 |
| R0120 | Gross - Proportional reinsurance accepted | 20,316 | 61,355 | 54,563 | 17,480 | 16,410 | | 170,124 |
| R0130 | Gross - Non-proportional reinsurance accepted | 0 | 0 | 0 | 0 | 0 | | 0 |
| R0140 | Reinsurers' share | 20,316 | 61,355 | 54,563 | 17,480 | 16,410 | | 170,124 |
| R0200 | Net | 0 | 0 | 0 | 0 | 0 | | 0 |
| | **Premiums earned** | | | | | | | |
| R0210 | Gross - Direct Business | 0 | 0 | 0 | 0 | 0 | | 0 |
| R0220 | Gross - Proportional reinsurance accepted | 23,371 | 56,386 | 53,447 | 17,796 | 15,165 | | 166,165 |
| R0230 | Gross - Non-proportional reinsurance accepted | 0 | 0 | 0 | 0 | 0 | | 0 |
| R0240 | Reinsurers' share | 23,371 | 56,386 | 53,447 | 17,796 | 15,165 | | 166,165 |
| R0300 | Net | 0 | 0 | 0 | 0 | 0 | | 0 |
| | **Claims incurred** | | | | | | | |
| R0310 | Gross - Direct Business | 0 | 0 | 0 | 0 | 0 | | 0 |
| R0320 | Gross - Proportional reinsurance accepted | 12,627 | 2,061 | 14,523 | 1,436 | 506 | | 31,154 |
| R0330 | Gross - Non-proportional reinsurance accepted | -241 | 0 | 0 | 0 | 2,053 | | 1,812 |
| R0340 | Reinsurers' share | 12,646 | 2,061 | 14,523 | 1,436 | 2,559 | | 33,225 |
| R0400 | Net | -260 | 0 | 0 | 0 | 0 | | -260 |
| R0550 | **Net expenses incurred** | 2 | 0 | 0 | 0 | 0 | | 2 |

# Royal & Sun Alliance Reinsurance Limited

**IR.05.04.02**

**Non-life income and expenditure : reporting period**

| | | All business (including annuities stemming from accepted non-life insurance and reinsurance contracts) | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance - personal lines | Motor vehicle liability insurance - non-personal lines | Motor vehicle other motor insurance - personal lines | Motor vehicle other motor insurance - non-personal lines | Marine, aviation and transport insurance | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines |
| | | C0010 | C0015 | C0110 | C0120 | C0130 | C0140 | C0141 | C0150 | C0151 | C0160 | C0170 | C0180 |
| | **Income** | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | |
| R0110 | Gross written premiums | | 327,214 | 0 | 0 | 0 | 0 | 34 | 0 | 15 | 49,636 | 0 | 218,286 |
| R0111 | Gross written premiums - insurance (direct) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0113 | Gross written premiums - accepted reinsurance | | 327,214 | 0 | 0 | 0 | 0 | 34 | 0 | 15 | 49,636 | 0 | 218,286 |
| R0160 | Net written premiums | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | |
| R0210 | Gross earned premiums | | 323,789 | 0 | 0 | 0 | 0 | 64 | 0 | 27 | 50,592 | 0 | 219,977 |
| R0220 | Net earned premiums | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Expenditure** | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 103,830 | 0 | 0 | 0 | 0 | 122 | 0 | -2,976 | 23,193 | 0 | 53,221 |
| R0611 | Gross (undiscounted) direct business | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0612 | Gross (undiscounted) reinsurance accepted | | 103,830 | 0 | 0 | 0 | 0 | 122 | 0 | -2,976 | 23,193 | 0 | 53,221 |
| R0690 | Net (undiscounted) claims incurred | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0730 | Net (discounted) claims incurred | -319 | -319 | | | | | | | | | | |
| | **Analysis of expenses incurred** | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | 2 | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Other expenditure** | | | | | | | | | | | | |
| R1140 | Other expenses | 18 | | | | | | | | | | | |
| R1310 | **Total expenditure** | -378 | | | | | | | | | | | |

# Royal & Sun Alliance Reinsurance Limited

**IR.05.04.02**

**Non-life income and expenditure : reporting period**

| | | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | Accepted non-proportional reinsurance | | | | Annuities stemming from non-life insurance contracts | Annuities stemming from non-life accepted reinsurance contracts |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | General liability insurance | | | | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation and transport | Property | | |
| | | Employers Liability | Public & products Liability | Professional Indemnity | Other general liability | | | | | | | | | | |
| | | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0310 | C0320 | C0330 | C0340 | C0525 | C0545 |
| | **Income** | | | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | | | |
| R0110 | Gross written premiums | 0 | 59,242 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| R0111 | Gross written premiums - insurance (direct) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| R0113 | Gross written premiums - accepted reinsurance | 0 | 59,242 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| R0160 | Net written premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | | | |
| R0210 | Gross earned premiums | 0 | 53,129 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| R0220 | Net earned premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| | **Expenditure** | | | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | 0 | 25,825 | 0 | 0 | 0 | 0 | 0 | 0 | | 3,253 | 0 | 1,191 | | |
| R0611 | Gross (undiscounted) direct business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| R0612 | Gross (undiscounted) reinsurance accepted | 0 | 25,825 | 0 | 0 | 0 | 0 | 0 | 0 | | 3,253 | 0 | 1,191 | | |
| R0690 | Net (undiscounted) claims incurred | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| R0730 | Net (discounted) claims incurred | | | | | | | | | | | | | | |
| | **Analysis of expenses incurred** | | | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | | | | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | |
| | **Other expenditure** | | | | | | | | | | | | | | |
| R1140 | Other expenses | | | | | | | | | | | | | | |
| R1310 | **Total expenditure** | | | | | | | | | | | | | | |

**IR.17.01.02**

**Non-Life Technical Provisions**

| | | Direct business and accepted proportional reinsurance | | | | | | | | | | | | Accepted non-proportional reinsurance | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | Total Non-Life obligation |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 | C0150 | C0160 | C0170 | C0180 |
| | **Best estimate** | | | | | | | | | | | | | | | | | |
| | **Premium provisions** | | | | | | | | | | | | | | | | | |
| R0060 | Gross | 0 | 0 | 0 | -26 | 1 | 3,641 | 6,202 | 10,170 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 19,988 |
| R0140 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | -26 | 1 | 3,868 | 7,526 | 10,571 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 21,941 |
| R0150 | **Net Best Estimate of Premium Provisions** | 0 | 0 | 0 | 0 | 0 | -227 | -1,325 | -402 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | -1,953 |
| | **Claims provisions** | | | | | | | | | | | | | | | | | |
| R0160 | Gross | 0 | 0 | 0 | 159 | 98 | 24,298 | 103,874 | 79,808 | 0 | 0 | 0 | 0 | | 37,406 | 22 | 27,176 | 272,842 |
| R0240 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | 159 | 98 | 24,298 | 103,874 | 79,807 | 0 | 0 | 0 | 0 | | 37,198 | 22 | 27,176 | 272,632 |
| R0250 | **Net Best Estimate of Claims Provisions** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | | 209 | 0 | 0 | 210 |
| R0260 | **Total best estimate - gross** | 0 | 0 | 0 | 133 | 99 | 27,939 | 110,075 | 89,978 | 0 | 0 | 0 | 0 | | 37,406 | 22 | 27,176 | 292,829 |
| R0270 | **Total best estimate - net** | 0 | 0 | 0 | 0 | 0 | -227 | -1,325 | -401 | 0 | 0 | 0 | 0 | | 209 | 0 | 0 | -1,744 |
| R0280 | **Risk margin** | 0 | 0 | 0 | 0 | 0 | 1 | 5 | 7 | 0 | 0 | 0 | 0 | | 2 | 0 | 1 | 15 |
| R0320 | **Technical provisions - total** | 0 | 0 | 0 | 133 | 99 | 27,940 | 110,080 | 89,985 | 0 | 0 | 0 | 0 | | 37,408 | 22 | 27,178 | 292,845 |
| R0330 | **Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total** | 0 | 0 | 0 | 133 | 99 | 28,166 | 111,400 | 90,379 | 0 | 0 | 0 | 0 | | 37,198 | 22 | 27,176 | 294,573 |
| R0340 | **Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total** | 0 | 0 | 0 | 0 | 0 | -226 | -1,320 | -394 | 0 | 0 | 0 | 0 | | 210 | 0 | 1 | -1,728 |

**IR.19.01.21**

## Non-Life insurance claims

### Total Non-life business

| | | |
|---|---|---|
| Z0020 | Accident year / underwriting year | Accident year |

**Gross Claims Paid (non-cumulative)**
(absolute amount)

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0170 | C0180 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | In Current year | Sum of years (cumulative) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | | |
| R0100 | Prior | | | | | | | | | | | 1,819 | 1,819 | 1,819 |
| R0160 | -9 | 26,616 | 62,942 | 19,451 | 5,483 | 1,793 | 8,538 | 1,054 | 776 | 1,497 | 3,113 | | 3,113 | 131,263 |
| R0170 | -8 | 28,401 | 96,725 | 65,775 | 9,866 | 6,981 | 2,513 | 5,291 | 3,557 | 8,710 | | | 8,710 | 227,819 |
| R0180 | -7 | 17,908 | 95,350 | 41,213 | 10,643 | 15,805 | 10,952 | 4,647 | 8,776 | | | | 8,776 | 205,294 |
| R0190 | -6 | 38,809 | 48,134 | 38,448 | 17,899 | 4,195 | 3,844 | 7,496 | | | | | 7,496 | 158,826 |
| R0200 | -5 | 45,040 | 44,509 | 19,431 | 26,522 | 17,692 | 3,037 | | | | | | 3,037 | 156,232 |
| R0210 | -4 | 18,857 | 38,497 | 30,831 | 24,465 | 17,238 | | | | | | | 17,238 | 129,889 |
| R0220 | -3 | 47,886 | 70,549 | 48,136 | 7,745 | | | | | | | | 7,745 | 174,316 |
| R0230 | -2 | 22,678 | 199,558 | 18,680 | | | | | | | | | 18,680 | 240,917 |
| R0240 | -1 | 13,466 | 41,847 | | | | | | | | | | 41,847 | 55,313 |
| R0250 | 0 | 12,195 | | | | | | | | | | | 12,195 | 12,195 |
| R0260 | | | | | | | | | | | | Total | 130,657 | 1,493,883 |

**Gross Undiscounted Best Estimate Claims Provisions**
(absolute amount)

| | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0360 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | Year end (discounted data) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | |
| R0100 | Prior | | | | | | | | | | | 24,973 | 23,725 |
| R0160 | -9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,452 | 7,246 | | 6,913 |
| R0170 | -8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,441 | 8,703 | | | 8,341 |
| R0180 | -7 | 0 | 0 | 0 | 0 | 0 | 0 | 17,970 | 12,028 | | | | 11,408 |
| R0190 | -6 | 0 | 0 | 0 | 0 | 0 | 34,677 | 28,575 | | | | | 27,396 |
| R0200 | -5 | 0 | 0 | 0 | 0 | 30,760 | 27,872 | | | | | | 26,542 |
| R0210 | -4 | 0 | 0 | 0 | 30,812 | 19,199 | | | | | | | 18,339 |
| R0220 | -3 | 0 | 0 | 18,564 | 15,129 | | | | | | | | 14,437 |
| R0230 | -2 | 0 | 36,644 | 25,592 | | | | | | | | | 24,594 |
| R0240 | -1 | 84,537 | 38,901 | | | | | | | | | | 37,406 |
| R0250 | 0 | 76,942 | | | | | | | | | | | 73,744 |
| R0260 | | | | | | | | | | | | Total | 272,844 |

**Gross premium**

| | | C0570 | C0580 |
|---|---|---|---|
| | | Gross earned premium at reporting reference date | Estimate of future gross earned premium |
| R0160 | N-9 | 251,951 | 0 |
| R0170 | N-8 | 274,934 | 0 |
| R0180 | N-7 | 269,693 | 0 |
| R0190 | N-6 | 303,213 | 0 |
| R0200 | N-5 | 335,062 | 0 |
| R0210 | N-4 | 337,079 | 0 |
| R0220 | N-3 | 315,624 | 0 |
| R0230 | N-2 | 343,700 | 0 |
| R0240 | N-1 | 312,132 | 0 |
| R0250 | N | 323,789 | 0 |

**IR.22.01.21**

## Impact of long term guarantees measures and transitionals

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0050 | C0070 | C0090 |
| R0010 | Technical provisions | 292,845 | 0 | 0 | 659 | 0 |
| R0020 | Basic own funds | 83,448 | 0 | 0 | 25 | 0 |
| R0050 | Eligible own funds to meet Solvency Capital Requirement | 83,448 | 0 | 0 | 25 | 0 |
| R0090 | Solvency Capital Requirement | 18,851 | 0 | 0 | 0 | 0 |
| R0100 | Eligible own funds to meet Minimum Capital Requirement | 83,290 | 0 | 0 | 25 | 0 |
| R0110 | Minimum Capital Requirement | 4,713 | 0 | 0 | 0 | 0 |

Royal & Sun Alliance Reinsurance Limited

**IR.23.01.01**
## Own Funds

| | | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 70,000 | 70,000 | | 0 | |
| R0030 | Share premium account related to ordinary share capital | 0 | 0 | | 0 | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | 0 | 0 | | 0 | |
| R0050 | Subordinated mutual member accounts | 0 | | 0 | 0 | 0 |
| R0070 | Surplus funds | 0 | 0 | | | |
| R0090 | Preference shares | 0 | | 0 | 0 | 0 |
| R0110 | Share premium account related to preference shares | 0 | | 0 | 0 | 0 |
| R0130 | Reconciliation reserve | 13,290 | 13,290 | | | |
| R0140 | Subordinated liabilities | 0 | | 0 | 0 | 0 |
| R0160 | An amount equal to the value of net deferred tax assets | 158 | | | | 158 |
| R0180 | Other own fund items approved by the supervisory authority as basic own funds not specified above | 0 | 0 | 0 | 0 | 0 |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | 0 | | | | |
| R0290 | **Total basic own funds** | 83,448 | 83,290 | 0 | 0 | 158 |
| | **Ancillary own funds** | | | | | |
| R0300 | Unpaid and uncalled ordinary share capital callable on demand | 0 | | | 0 | |
| R0310 | Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | 0 | | | 0 | |
| R0320 | Unpaid and uncalled preference shares callable on demand | 0 | | | 0 | 0 |
| R0330 | A legally binding commitment to subscribe and pay for subordinated liabilities on demand | 0 | | | 0 | 0 |
| R0340 | Letters of credit and guarantees | 0 | | | 0 | |
| R0350 | Letters of credit and guarantees other | 0 | | | 0 | 0 |
| R0360 | Supplementary members calls | 0 | | | 0 | |
| R0370 | Supplementary members calls - other | 0 | | | 0 | 0 |
| R0390 | Other ancillary own funds | 0 | | | 0 | 0 |
| R0400 | **Total ancillary own funds** | 0 | | | 0 | 0 |
| | **Available and eligible own funds** | | | | | |
| R0500 | Total available own funds to meet the SCR | 83,448 | 83,290 | 0 | 0 | 158 |
| R0510 | Total available own funds to meet the MCR | 83,290 | 83,290 | 0 | 0 | |
| R0540 | Total eligible own funds to meet the SCR | 83,448 | 83,290 | 0 | 0 | 158 |
| R0550 | Total eligible own funds to meet the MCR | 83,290 | 83,290 | 0 | 0 | |
| R0580 | **SCR** | 18,851 | | | | |
| R0600 | **MCR** | 4,713 | | | | |
| R0620 | **Ratio of Eligible own funds to SCR** | 442.66% | | | | |
| R0640 | **Ratio of Eligible own funds to MCR** | 1767.30% | | | | |

| | **Reconcilliation reserve** | C0060 |
|---|---|---|
| R0700 | Excess of assets over liabilities | 83,448 |
| R0710 | Own shares (held directly and indirectly) | 0 |
| R0720 | Foreseeable dividends, distributions and charges | |
| R0725 | Deductions for participations in financial and credit institutions | |
| R0730 | Other basic own fund items | 70,158 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | |
| R0760 | **Reconciliation reserve** | 13,290 |

IR.25.04.21

## Solvency Capital Requirement

**Net of loss absorbing capacity of technical provisions**

| | | C0010 |
|---|---|---|
| | **Market risk** | |
| R0070 | Interest rate risk | 3,533 |
| R0080 | Equity risk | 0 |
| R0090 | Property risk | 0 |
| R0100 | Spread risk | 2,314 |
| R0110 | Concentration risk | 0 |
| R0120 | Currency risk | 13,046 |
| R0125 | Other market risk | 0 |
| R0130 | Diversification within market risk | -6,882 |
| R0140 | **Total Market risk** | 12,011 |
| | **Counterparty default risk** | |
| R0150 | Type 1 exposures | 356 |
| R0160 | Type 2 exposures | 0 |
| R0165 | Other counterparty risk | 0 |
| R0170 | Diversification within counterparty default risk | 0 |
| R0180 | **Total Counterparty default risk** | 356 |
| | **Life underwriting risk** | |
| R0190 | Mortality risk | 0 |
| R0200 | Longevity risk | 0 |
| R0210 | Disability-Morbidity risk | 0 |
| R0220 | Life-expense risk | 0 |
| R0230 | Revision risk | 0 |
| R0240 | Lapse risk | 0 |
| R0250 | Life catastrophe risk | 0 |
| R0255 | Other life underwriting risk | 0 |
| R0260 | Diversification within life underwriting risk | 0 |
| R0270 | **Total Life underwriting risk** | 0 |
| | **Health underwriting risk** | |
| R0280 | Health SLT risk | 0 |
| R0290 | Health non SLT risk | 0 |
| R0300 | Health catastrophe risk | 0 |
| R0305 | Other health underwriting risk | 0 |
| R0310 | Diversification within health underwriting risk | 0 |
| R0320 | **Total Health underwriting risk** | 0 |
| | **Non-life underwriting risk** | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | 917 |
| R0340 | Non-life catastrophe risk | 0 |
| R0350 | Lapse risk | 0 |
| R0355 | Other non-life underwriting risk | 0 |
| R0360 | Diversification within non-life underwriting risk | 0 |
| R0370 | **Non-life underwriting risk** | 917 |
| R0400 | **Intangible asset risk** | 0 |
| | **Operational and other risks** | |
| R0422 | Operational risk | 6,222 |
| R0424 | Other risks | 0 |
| R0430 | **Total Operational and other risks** | 6,222 |
| R0432 | **Total before all diversification** | 26,388 |
| R0434 | Total before diversification between risk modules | 19,506 |
| R0436 | Diversification between risk modules | -655 |
| R0438 | **Total after diversification** | 18,851 |
| R0440 | Loss absorbing capacity of technical provisions | 0 |
| R0450 | Loss absorbing capacity of deferred tax | 0 |
| R0455 | Other adjustments | 0 |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 18,851 |
| R0472 | Disclosed capital add-on - excluding residual model limitation | 0 |
| R0474 | Disclosed capital add-on - residual model limitation | 0 |
| R0480 | **Solvency capital requirement including capital add-on** | 18,851 |
| R0490 | Biting interest rate scenario | Decrease |
| R0495 | Biting life lapse scenario | |

**IR.28.01.01**

## Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

| | **Linear formula component for non-life insurance and reinsurance obligations** | C0010 |
|---|---|---|
| R0010 | $MCR_{NL}$ Result | 39 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
|---|---|---|---|
| | | C0020 | C0030 |
| R0020 | Medical expense insurance and proportional reinsurance | 0 | 0 |
| R0030 | Income protection insurance and proportional reinsurance | 0 | 0 |
| R0040 | Workers' compensation insurance and proportional reinsurance | 0 | 0 |
| R0050 | Motor vehicle liability insurance and proportional reinsurance | 0 | 0 |
| R0060 | Other motor insurance and proportional reinsurance | 0 | 0 |
| R0070 | Marine, aviation and transport insurance and proportional reinsurance | 0 | 0 |
| R0080 | Fire and other damage to property insurance and proportional reinsurance | 0 | 0 |
| R0090 | General liability insurance and proportional reinsurance | 0 | 0 |
| R0100 | Credit and suretyship insurance and proportional reinsurance | 0 | 0 |
| R0110 | Legal expenses insurance and proportional reinsurance | 0 | 0 |
| R0120 | Assistance and proportional reinsurance | 0 | 0 |
| R0130 | Miscellaneous financial loss insurance and proportional reinsurance | 0 | 0 |
| R0140 | Non-proportional health reinsurance | 0 | 0 |
| R0150 | Non-proportional casualty reinsurance | 209 | 0 |
| R0160 | Non-proportional marine, aviation and transport reinsurance | 0 | 0 |
| R0170 | Non-proportional property reinsurance | 0 | 0 |

| | **Linear formula component for life insurance and reinsurance obligations** | C0040 |
|---|---|---|
| R0200 | $MCR_L$ Result | 0 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
|---|---|---|---|
| | | C0050 | C0060 |
| R0210 | Obligations with profit participation - guaranteed benefits | 0 | |
| R0220 | Obligations with profit participation - future discretionary benefits | 0 | |
| R0230 | Index-linked and unit-linked insurance obligations | 0 | |
| R0240 | Other life (re)insurance and health (re)insurance obligations | 0 | |
| R0250 | Total capital at risk for all life (re)insurance obligations | | 0 |

| | **Overall MCR calculation** | C0070 |
|---|---|---|
| R0300 | Linear MCR | 39 |
| R0310 | SCR | 18,851 |
| R0320 | MCR cap | 8,483 |
| R0330 | MCR floor | 4,713 |
| R0340 | Combined MCR | 4,713 |
| R0350 | Absolute floor of the MCR | 3,500 |
| R0400 | **Minimum Capital Requirement** | 4,713 |

**IR.02.01.02**

## Balance sheet

| | | Solvency II value |
|---|---|---|
| | **Assets** | C0010 |
| R0030 | Intangible assets | 0 |
| R0040 | Deferred tax assets | 22 |
| R0050 | Pension benefit surplus | 0 |
| R0060 | Property, plant & equipment held for own use | 0 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 39,437 |
| R0080 | *Property (other than for own use)* | 0 |
| R0090 | *Holdings in related undertakings, including participations* | 0 |
| R0100 | *Equities* | 0 |
| R0110 | *Equities - listed* | 0 |
| R0120 | *Equities - unlisted* | 0 |
| R0130 | *Bonds* | 39,437 |
| R0140 | *Government Bonds* | 39,437 |
| R0150 | *Corporate Bonds* | 0 |
| R0160 | *Structured notes* | 0 |
| R0170 | *Collateralised securities* | 0 |
| R0180 | *Collective Investments Undertakings* | 0 |
| R0190 | *Derivatives* | 0 |
| R0200 | *Deposits other than cash equivalents* | 0 |
| R0210 | *Other investments* | 0 |
| R0220 | Assets held for index-linked and unit-linked contracts | 0 |
| R0230 | Loans and mortgages | 0 |
| R0240 | *Loans on policies* | 0 |
| R0250 | *Loans and mortgages to individuals* | 0 |
| R0260 | *Other loans and mortgages* | 0 |
| R0270 | Reinsurance recoverables from: | 163,184 |
| R0280 | *Non-life and health similar to non-life* | 163,184 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 0 |
| R0340 | *Life index-linked and unit-linked* | 0 |
| R0350 | Deposits to cedants | 0 |
| R0360 | Insurance and intermediaries receivables | 3,634 |
| R0370 | Reinsurance receivables | 713 |
| R0380 | Receivables (trade, not insurance) | 19,427 |
| R0390 | Own shares (held directly) | 0 |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | 0 |
| R0410 | Cash and cash equivalents | 176 |
| R0420 | Any other assets, not elsewhere shown | 0 |
| R0500 | **Total assets** | 226,593 |

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | Technical provisions - total | 145,034 |
| R0510 | *Technical provisions - non-life* | 145,034 |
| R0515 | *Technical provisions - life* | 0 |
| R0542 | Best estimate - total | 144,971 |
| R0544 | *Best estimate - non-life* | 144,971 |
| R0546 | *Best estimate - life* | 0 |
| R0552 | Risk margin - total | 63 |
| R0554 | *Risk margin - non-life* | 63 |
| R0556 | *Risk margin - life* | 0 |
| R0565 | Transitional (TMTP) - life | 0 |
| R0740 | Contingent liabilities | 0 |
| R0750 | Provisions other than technical provisions | 0 |
| R0760 | Pension benefit obligations | 0 |
| R0770 | Deposits from reinsurers | 0 |
| R0780 | Deferred tax liabilities | 0 |
| R0790 | Derivatives | 0 |
| R0800 | Debts owed to credit institutions | 0 |
| R0810 | Financial liabilities other than debts owed to credit institutions | 0 |
| R0820 | Insurance & intermediaries payables | 639 |
| R0830 | Reinsurance payables | 623 |
| R0840 | Payables (trade, not insurance) | 0 |
| R0850 | Subordinated liabilities | 0 |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | 0 |
| R0870 | *Subordinated liabilities in Basic Own Funds* | 0 |
| R0880 | Any other liabilities, not elsewhere shown | 917 |
| R0900 | **Total liabilities** | 147,213 |
| R1000 | **Excess of assets over liabilities** | 79,380 |

**IR.05.02.01**

## Premiums, claims and expenses by country: Non-life obligations

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R0010 | | | US | | | | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | Gross - Direct Business | 87,402 | 14,944 | | | | | 102,346 |
| R0120 | Gross - Proportional reinsurance accepted | 0 | 17,616 | | | | | 17,616 |
| R0130 | Gross - Non-proportional reinsurance accepted | 0 | 0 | | | | | 0 |
| R0140 | Reinsurers' share | 87,402 | 32,560 | | | | | 119,962 |
| R0200 | Net | 0 | 0 | | | | | 0 |
| | **Premiums earned** | | | | | | | |
| R0210 | Gross - Direct Business | 90,606 | 18,977 | | | | | 109,583 |
| R0220 | Gross - Proportional reinsurance accepted | 0 | 17,214 | | | | | 17,214 |
| R0230 | Gross - Non-proportional reinsurance accepted | 0 | 0 | | | | | 0 |
| R0240 | Reinsurers' share | 90,606 | 36,191 | | | | | 126,797 |
| R0300 | Net | 0 | 0 | | | | | 0 |
| | **Claims incurred** | | | | | | | |
| R0310 | Gross - Direct Business | 67,667 | 26,851 | | | | | 94,518 |
| R0320 | Gross - Proportional reinsurance accepted | 0 | 2,754 | | | | | 2,754 |
| R0330 | Gross - Non-proportional reinsurance accepted | 0 | 0 | | | | | 0 |
| R0340 | Reinsurers' share | 70,549 | 26,822 | | | | | 97,372 |
| R0400 | Net | -2,883 | 2,783 | | | | | -100 |
| R0550 | **Net expenses incurred** | 128 | -69 | | | | | 59 |

**IR.05.02.01**

## Premiums, claims and expenses by country: Life obligations

| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) | | | | | Total Top 5 and home country |
| R1400 | | | | | | | | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| | **Premiums written** | | | | | | | |
| R1410 | Gross | 0 | | | | | | 0 |
| R1420 | Reinsurers' share | 0 | | | | | | 0 |
| R1500 | Net | 0 | | | | | | 0 |
| | **Premiums earned** | | | | | | | |
| R1510 | Gross | 0 | | | | | | 0 |
| R1520 | Reinsurers' share | 0 | | | | | | 0 |
| R1600 | Net | 0 | | | | | | 0 |
| | **Claims incurred** | | | | | | | |
| R1610 | Gross | 0 | | | | | | 0 |
| R1620 | Reinsurers' share | 0 | | | | | | 0 |
| R1700 | Net | 0 | | | | | | 0 |
| R1900 | **Net expenses incurred** | 0 | | | | | | 0 |

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**Non-life income and expenditure : reporting period**

| | | All business (including annuities stemming from accepted non-life insurance and reinsurance contracts) | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance - personal lines | Motor vehicle liability insurance - non-personal lines | Motor vehicle other motor insurance - personal lines | Motor vehicle other motor insurance - non-personal lines | Marine, aviation and transport insurance | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines |
| | | C0010 | C0015 | C0110 | C0120 | C0130 | C0140 | C0141 | C0150 | C0151 | C0160 | C0170 | C0180 |
| | **Income** | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | |
| R0110 | Gross written premiums | | 119,962 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43,592 | 0 | 32,560 |
| R0111 | Gross written premiums - insurance (direct) | | 102,346 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43,592 | 0 | 14,944 |
| R0113 | Gross written premiums - accepted reinsurance | | 17,616 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,616 |
| R0160 | Net written premiums | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | |
| R0210 | Gross earned premiums | | 126,797 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 46,069 | 0 | 36,191 |
| R0220 | Net earned premiums | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| | **Expenditure** | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 108,128 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,012 | 0 | 32,783 |
| R0611 | Gross (undiscounted) direct business | | 105,374 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,012 | 0 | 30,030 |
| R0612 | Gross (undiscounted) reinsurance accepted | | 2,754 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,754 |
| R0690 | Net (undiscounted) claims incurred | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R0730 | Net (discounted) claims incurred | -100 | -100 | | | | | | | | | | |
| | **Analysis of expenses incurred** | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | 59 | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | -7,176 | -7,176 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -6,874 | 0 | -3,469 |
| | **Other expenditure** | | | | | | | | | | | | |
| R1140 | Other expenses | 19 | | | | | | | | | | | |
| R1310 | **Total expenditure** | 895 | | | | | | | | | | | |

IR.05.04.02

**Non-life income and expenditure : reporting period**

| | | Non-life insurance and accepted proportional reinsurance obligations | | | | | | | | Accepted non-proportional reinsurance | | | | Annuities stemming from non-life insurance contracts | Annuities stemming from non-life accepted reinsurance contracts |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | General liability insurance | | | | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation and transport | Property | | |
| | | Employers Liability | Public & products Liability | Professional Indemnity | Other general liability | | | | | | | | | | |
| | | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0310 | C0320 | C0330 | C0340 | C0525 | C0545 |
| | **Income** | | | | | | | | | | | | | | |
| | **Premiums written** | | | | | | | | | | | | | | |
| R0110 | Gross written premiums | 0 | 0 | 0 | 43,810 | 0 | 0 | 0 | 0 | | | | | | |
| R0111 | Gross written premiums - insurance (direct) | 0 | 0 | 0 | 43,810 | 0 | 0 | 0 | 0 | | | | | | |
| R0113 | Gross written premiums - accepted reinsurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| R0160 | Net written premiums | 0 | 0 | 0 | -1 | 0 | 0 | 0 | 0 | | | | | | |
| | **Premiums earned and provision for unearned** | | | | | | | | | | | | | | |
| R0210 | Gross earned premiums | 0 | 0 | 0 | 44,537 | 0 | 0 | 0 | 0 | | | | | | |
| R0220 | Net earned premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| | **Expenditure** | | | | | | | | | | | | | | |
| | **Claims incurred** | | | | | | | | | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | 0 | 0 | 0 | 61,333 | 0 | 0 | 0 | 0 | | | | | | |
| R0611 | Gross (undiscounted) direct business | 0 | 0 | 0 | 61,333 | 0 | 0 | 0 | 0 | | | | | | |
| R0612 | Gross (undiscounted) reinsurance accepted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| R0690 | Net (undiscounted) claims incurred | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| R0730 | Net (discounted) claims incurred | | | | | | | | | | | | | 0 | 0 |
| | **Analysis of expenses incurred** | | | | | | | | | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | | | | | | | | | | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 0 | 0 | 0 | 3,168 | 0 | 0 | 0 | 0 | | | | | 0 | 0 |
| | **Other expenditure** | | | | | | | | | | | | | | |
| R1140 | Other expenses | | | | | | | | | | | | | | |
| R1310 | **Total expenditure** | | | | | | | | | | | | | | |

**IR.17.01.02**

**Non-Life Technical Provisions**

| | | Direct business and accepted proportional reinsurance | | | | | | | | | | | | Accepted non-proportional reinsurance | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | Total Non-Life obligation |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 | C0150 | C0160 | C0170 | C0180 |
| | **Best estimate** | | | | | | | | | | | | | | | | | |
| | **Premium provisions** | | | | | | | | | | | | | | | | | |
| R0060 | Gross | 0 | 0 | 0 | 0 | 0 | 611 | 4,322 | 4,225 | 0 | 0 | 0 | 0 | | | | | 9,158 |
| R0140 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | 0 | 0 | 9,419 | 12,801 | 5,586 | 0 | 0 | 0 | 0 | | | | | 27,807 |
| R0150 | **Net Best Estimate of Premium Provisions** | 0 | 0 | 0 | 0 | 0 | -8,808 | -8,479 | -1,361 | 0 | 0 | 0 | 0 | | | | | -18,648 |
| | **Claims provisions** | | | | | | | | | | | | | | | | | |
| R0160 | Gross | 0 | 0 | 0 | 0 | 0 | 18,312 | 43,722 | 73,779 | 0 | 0 | 0 | 0 | | | | | 135,813 |
| R0240 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 0 | 0 | 0 | 0 | 0 | 18,253 | 43,582 | 73,543 | 0 | 0 | 0 | 0 | | | | | 135,378 |
| R0250 | **Net Best Estimate of Claims Provisions** | 0 | 0 | 0 | 0 | 0 | 59 | 140 | 236 | 0 | 0 | 0 | 0 | | | | | 435 |
| R0260 | **Total best estimate - gross** | 0 | 0 | 0 | 0 | 0 | 18,923 | 48,044 | 78,004 | 0 | 0 | 0 | 0 | | | | | 144,971 |
| R0270 | **Total best estimate - net** | 0 | 0 | 0 | 0 | 0 | -8,749 | -8,339 | -1,125 | 0 | 0 | 0 | 0 | | | | | -18,213 |
| R0280 | **Risk margin** | 0 | 0 | 0 | 0 | 0 | 6 | 14 | 42 | 0 | 0 | 0 | 0 | | | | | 63 |
| R0320 | **Technical provisions - total** | 0 | 0 | 0 | 0 | 0 | 18,929 | 48,059 | 78,046 | 0 | 0 | 0 | 0 | | | | | 145,034 |
| R0330 | **Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total** | 0 | 0 | 0 | 0 | 0 | 27,672 | 56,384 | 79,129 | 0 | 0 | 0 | 0 | | | | | 163,184 |
| R0340 | **Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total** | 0 | 0 | 0 | 0 | 0 | -8,743 | -8,325 | -1,082 | 0 | 0 | 0 | 0 | | | | | -18,151 |

**IR.19.01.21**

## Non-Life insurance claims

### Total Non-life business

| | Accident year / underwriting year | |
|---|---|---|
| Z0020 | Accident year / underwriting year | Accident year |

**Gross Claims Paid (non-cumulative)**
(absolute amount)

| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0170 | C0180 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | In Current year | Sum of years (cumulative) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | | |
| R0100 | Prior | | | | | | | | | | | 3 | 3 | 3 |
| R0160 | -9 | 3,510 | 8,822 | 3,766 | 276 | 589 | 45 | 18 | -23 | 3 | -24 | | -24 | 16,982 |
| R0170 | -8 | 5,699 | 11,563 | 2,733 | 740 | 1,163 | 5,470 | 359 | -235 | 116 | | | 116 | 27,607 |
| R0180 | -7 | 2,292 | 3,926 | 4,151 | 3,142 | 12,820 | 449 | 149 | 89 | | | | 89 | 27,018 |
| R0190 | -6 | 3,716 | 4,446 | -1,239 | 1,436 | -82 | 63 | 2 | | | | | 2 | 8,342 |
| R0200 | -5 | 2,426 | 6,696 | 1,303 | 940 | 126 | 315 | | | | | | 315 | 11,806 |
| R0210 | -4 | 4,161 | 9,702 | 3,257 | 1,578 | 544 | | | | | | | 544 | 19,242 |
| R0220 | -3 | 2,246 | 7,971 | 3,639 | 1,765 | | | | | | | | 1,765 | 15,621 |
| R0230 | -2 | 2,585 | 13,281 | 10,156 | | | | | | | | | 10,156 | 26,022 |
| R0240 | -1 | 8,807 | 14,814 | | | | | | | | | | 14,814 | 23,621 |
| R0250 | 0 | 11,029 | | | | | | | | | | | 11,029 | 11,029 |
| R0260 | | | | | | | | | | | | Total | 38,809 | 187,295 |

**Gross Undiscounted Best Estimate Claims Provisions**
(absolute amount)

| | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0360 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year | Development year | | | | | | | | | | | Year end (discounted data) |
| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | |
| R0100 | Prior | | | | | | | | | | | -10 | 2 |
| R0160 | -9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,547 | -126 | | -195 |
| R0170 | -8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -817 | 403 | | | 462 |
| R0180 | -7 | 0 | 0 | 0 | 0 | 0 | 0 | 679 | 399 | | | | 390 |
| R0190 | -6 | 0 | 0 | 0 | 0 | 0 | 139 | 11 | | | | | 10 |
| R0200 | -5 | 0 | 0 | 0 | 0 | 1,815 | 1,595 | | | | | | 1,525 |
| R0210 | -4 | 0 | 0 | 0 | 2,489 | 757 | | | | | | | 725 |
| R0220 | -3 | 0 | 0 | 5,385 | 4,317 | | | | | | | | 4,175 |
| R0230 | -2 | 0 | 23,466 | 22,750 | | | | | | | | | 20,992 |
| R0240 | -1 | 44,794 | 40,177 | | | | | | | | | | 37,542 |
| R0250 | 0 | 72,410 | | | | | | | | | | | 66,884 |
| R0260 | | | | | | | | | | | | Total | 132,514 |

**Gross premium**

| | | C0570 | C0580 |
|---|---|---|---|
| | | Gross earned premium at reporting reference date | Estimate of future gross earned premium |
| R0160 | N-9 | 28,284 | 0 |
| R0170 | N-8 | 30,512 | 0 |
| R0180 | N-7 | 37,461 | 0 |
| R0190 | N-6 | 35,938 | 0 |
| R0200 | N-5 | 34,071 | 0 |
| R0210 | N-4 | 37,344 | 0 |
| R0220 | N-3 | 47,684 | 0 |
| R0230 | N-2 | 67,850 | 0 |
| R0240 | N-1 | 102,795 | 0 |
| R0250 | N | 126,797 | 0 |

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## Impact of long term guarantees measures and transitionals

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0050 | C0070 | C0090 |
| R0010 | Technical provisions | 145,034 | 0 | 0 | 827 | 0 |
| R0020 | Basic own funds | 79,380 | 0 | 0 | 21 | 0 |
| R0050 | Eligible own funds to meet Solvency Capital Requirement | 79,380 | 0 | 0 | 21 | 0 |
| R0090 | Solvency Capital Requirement | 8,456 | 0 | 0 | 0 | 0 |
| R0100 | Eligible own funds to meet Minimum Capital Requirement | 79,359 | 0 | 0 | 21 | 0 |
| R0110 | Minimum Capital Requirement | 3,500 | 0 | 0 | 0 | 0 |

**IR.23.01.01**

## Own Funds

| | | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 16,312 | 16,312 | | 0 | |
| R0030 | Share premium account related to ordinary share capital | 6,022 | 6,022 | | 0 | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | 0 | 0 | | 0 | |
| R0050 | Subordinated mutual member accounts | 0 | | 0 | 0 | 0 |
| R0070 | Surplus funds | 0 | 0 | | | |
| R0090 | Preference shares | 0 | | 0 | 0 | 0 |
| R0110 | Share premium account related to preference shares | 0 | | 0 | 0 | 0 |
| R0130 | Reconciliation reserve | 57,025 | 57,025 | | | |
| R0140 | Subordinated liabilities | 0 | | 0 | 0 | 0 |
| R0160 | An amount equal to the value of net deferred tax assets | 22 | | | | 22 |
| R0180 | Other own fund items approved by the supervisory authority as basic own funds not specified above | 0 | 0 | 0 | 0 | 0 |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | 0 | | | | |
| R0290 | **Total basic own funds** | 79,380 | 79,359 | 0 | 0 | 22 |
| | **Ancillary own funds** | | | | | |
| R0300 | Unpaid and uncalled ordinary share capital callable on demand | 0 | | | 0 | |
| R0310 | Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | 0 | | | 0 | |
| R0320 | Unpaid and uncalled preference shares callable on demand | 0 | | | 0 | 0 |
| R0330 | A legally binding commitment to subscribe and pay for subordinated liabilities on demand | 0 | | | 0 | 0 |
| R0340 | Letters of credit and guarantees | 0 | | | 0 | |
| R0350 | Letters of credit and guarantees other | 0 | | | 0 | 0 |
| R0360 | Supplementary members calls | 0 | | | 0 | |
| R0370 | Supplementary members calls - other | 0 | | | 0 | 0 |
| R0390 | Other ancillary own funds | 0 | | | 0 | 0 |
| R0400 | **Total ancillary own funds** | 0 | | | 0 | 0 |
| | **Available and eligible own funds** | | | | | |
| R0500 | Total available own funds to meet the SCR | 79,380 | 79,359 | 0 | 0 | 22 |
| R0510 | Total available own funds to meet the MCR | 79,359 | 79,359 | 0 | 0 | |
| R0540 | Total eligible own funds to meet the SCR | 79,380 | 79,359 | 0 | 0 | 22 |
| R0550 | Total eligible own funds to meet the MCR | 79,359 | 79,359 | 0 | 0 | |
| R0580 | **SCR** | 8,456 | | | | |
| R0600 | **MCR** | 3,500 | | | | |
| R0620 | **Ratio of Eligible own funds to SCR** | 938.75% | | | | |
| R0640 | **Ratio of Eligible own funds to MCR** | 2267.39% | | | | |

| | **Reconcilliation reserve** | C0060 |
|---|---|---|
| R0700 | Excess of assets over liabilities | 79,380 |
| R0710 | Own shares (held directly and indirectly) | 0 |
| R0720 | Foreseeable dividends, distributions and charges | |
| R0725 | Deductions for participations in financial and credit institutions | |
| R0730 | Other basic own fund items | 22,355 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | |
| R0760 | **Reconciliation reserve** | 57,025 |

**IR.25.04.21**

## Solvency Capital Requirement

**Net of loss absorbing capacity of technical provisions**

| | | C0010 |
|---|---|---|
| | **Market risk** | |
| R0070 | Interest rate risk | 1,635 |
| R0080 | Equity risk | 0 |
| R0090 | Property risk | 0 |
| R0100 | Spread risk | 0 |
| R0110 | Concentration risk | 0 |
| R0120 | Currency risk | 7,546 |
| R0125 | Other market risk | 0 |
| R0130 | Diversification within market risk | -2,603 |
| R0140 | **Total Market risk** | 6,578 |
| | **Counterparty default risk** | |
| R0150 | Type 1 exposures | 187 |
| R0160 | Type 2 exposures | 0 |
| R0165 | Other counterparty risk | 0 |
| R0170 | Diversification within counterparty default risk | 0 |
| R0180 | **Total Counterparty default risk** | 187 |
| | **Life underwriting risk** | |
| R0190 | Mortality risk | 0 |
| R0200 | Longevity risk | 0 |
| R0210 | Disability-Morbidity risk | 0 |
| R0220 | Life-expense risk | 0 |
| R0230 | Revision risk | 0 |
| R0240 | Lapse risk | 0 |
| R0250 | Life catastrophe risk | 0 |
| R0255 | Other life underwriting risk | 0 |
| R0260 | Diversification within life underwriting risk | 0 |
| R0270 | **Total Life underwriting risk** | 0 |
| | **Health underwriting risk** | |
| R0280 | Health SLT risk | 0 |
| R0290 | Health non SLT risk | 0 |
| R0300 | Health catastrophe risk | 0 |
| R0305 | Other health underwriting risk | 0 |
| R0310 | Diversification within health underwriting risk | 0 |
| R0320 | **Total Health underwriting risk** | 0 |
| | **Non-life underwriting risk** | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | 359 |
| R0340 | Non-life catastrophe risk | 0 |
| R0350 | Lapse risk | 0 |
| R0355 | Other non-life underwriting risk | 0 |
| R0360 | Diversification within non-life underwriting risk | 0 |
| R0370 | **Non-life underwriting risk** | 359 |
| R0400 | **Intangible asset risk** | 0 |
| | **Operational and other risks** | |
| R0422 | Operational risk | 1,854 |
| R0424 | Other risks | 0 |
| R0430 | **Total Operational and other risks** | 1,854 |
| R0432 | **Total before all diversification** | 11,582 |
| R0434 | Total before diversification between risk modules | 8,979 |
| R0436 | Diversification between risk modules | -523 |
| R0438 | **Total after diversification** | 8,456 |
| R0440 | Loss absorbing capacity of technical provisions | 0 |
| R0450 | Loss absorbing capacity of deferred tax | 0 |
| R0455 | Other adjustments | 0 |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 8,456 |
| R0472 | Disclosed capital add-on - excluding residual model limitation | 0 |
| R0474 | Disclosed capital add-on - residual model limitation | 0 |
| R0480 | **Solvency capital requirement including capital add-on** | 8,456 |
| R0490 | Biting interest rate scenario | Decrease |
| R0495 | Biting life lapse scenario | |

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## Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

| | | C0010 |
|---|---|---|
| | **Linear formula component for non-life insurance and reinsurance obligations** | |
| R0010 | $MCR_{NL}$ Result | 0 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
|---|---|---|---|
| | | C0020 | C0030 |
| R0020 | Medical expense insurance and proportional reinsurance | 0 | 0 |
| R0030 | Income protection insurance and proportional reinsurance | 0 | 0 |
| R0040 | Workers' compensation insurance and proportional reinsurance | 0 | 0 |
| R0050 | Motor vehicle liability insurance and proportional reinsurance | 0 | 0 |
| R0060 | Other motor insurance and proportional reinsurance | 0 | 0 |
| R0070 | Marine, aviation and transport insurance and proportional reinsurance | 0 | 0 |
| R0080 | Fire and other damage to property insurance and proportional reinsurance | 0 | 1 |
| R0090 | General liability insurance and proportional reinsurance | 0 | 0 |
| R0100 | Credit and suretyship insurance and proportional reinsurance | 0 | 0 |
| R0110 | Legal expenses insurance and proportional reinsurance | 0 | 0 |
| R0120 | Assistance and proportional reinsurance | 0 | 0 |
| R0130 | Miscellaneous financial loss insurance and proportional reinsurance | 0 | 0 |
| R0140 | Non-proportional health reinsurance | 0 | 0 |
| R0150 | Non-proportional casualty reinsurance | 0 | 0 |
| R0160 | Non-proportional marine, aviation and transport reinsurance | 0 | 0 |
| R0170 | Non-proportional property reinsurance | 0 | 0 |

| | | C0040 |
|---|---|---|
| | **Linear formula component for life insurance and reinsurance obligations** | |
| R0200 | $MCR_{L}$ Result | 0 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
|---|---|---|---|
| | | C0050 | C0060 |
| R0210 | Obligations with profit participation - guaranteed benefits | 0 | |
| R0220 | Obligations with profit participation - future discretionary benefits | 0 | |
| R0230 | Index-linked and unit-linked insurance obligations | 0 | |
| R0240 | Other life (re)insurance and health (re)insurance obligations | 0 | |
| R0250 | Total capital at risk for all life (re)insurance obligations | | 0 |

| | | C0070 |
|---|---|---|
| | **Overall MCR calculation** | |
| R0300 | Linear MCR | 0 |
| R0310 | SCR | 8,456 |
| R0320 | MCR cap | 3,805 |
| R0330 | MCR floor | 2,114 |
| R0340 | Combined MCR | 2,114 |
| R0350 | Absolute floor of the MCR | 3,500 |
| R0400 | **Minimum Capital Requirement** | 3,500 |