INTERIM MANAGEMENT REPORT

for the six month period ended 30 June 2026

RSA Insurance Group Limited (the Company) is incorporated and domiciled in England and Wales. The Company's immediate parent company is 2283485 Alberta Limited. The Company's ultimate parent company and controlling party is Intact Financial Corporation (Intact).

RSA Insurance Group Limited and its subsidiaries (known as the Group) operate in the UK, Ireland and Continental Europe. Several of the Group's subsidiaries are regulated by the Financial Conduct Authority and/or the Prudential Regulation Authority.

Principal activity

The principal activity of the Group is the transaction of insurance and related financial services.

In the UK, the Group currently offers Commercial lines and Specialty lines insurance. In Commercial lines, the Group is largely focused on offering a range of Property and Casualty coverage, mainly for small to medium sized operations. In Specialty lines, the Group provides a broad range of insurance solutions, tailored to meet the unique needs of specific industry segments and diverse customer groups including multi-nationals, largely in the London market, and distributed through brokers under the Intact brand.

In Ireland, the Group offers Personal and Commercial insurance through a multi-channel distribution network, including 123.ie (our direct-to-consumer brand), independent brokers and affinity partnerships.

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 a quota share arrangement with Belair Insurance Company Inc. (Belair), under which the insurance risk for a proportion of the business of that company is transferred to the Group. Further information is provided in note 19 - Related party transactions.

Business review

The Group reports a loss before tax of **£47m** for the six month period ended 30 June 2026 (six month period ended 30 June 2025: £80m profit). Net written premiums[1] for the six month period ended 30 June 2026 are **£1,692m** (six month period ended 30 June 2025: £1,706m) and net assets at 30 June 2026 are **£2,792m** (30 June 2025: £2,703m).

The loss before tax of **£47m** consists of **£(13)m** underwriting result (six month period ended 30 June 2025: £120m), investment result of **£121m** (six month period ended 30 June 2025: £126m), **£(4)m** of central costs (six month period ended 30 June 2025: £(16)m), and **£(151)m** of other charges (six month period ended 30 June 2025: £(150)m).

The underwriting result for the six month period ended 30 June 2026 has been adversely impacted by elevated levels of catastrophe losses and large losses. The financial results for the period also reflect the process of repositioning the UK business to commercial and specialty lines insurance and include **£(69)m** of Integration and restructuring costs (six month period ended 30 June 2025: £(79)m). There was a net reduction of **£(53)m** in the net investment result, primarily due to adverse valuation and foreign exchange movements. This was materially offset by movements in the net insurance finance result, other net gains and losses, and other income and expenses.

In 2023, the Group acquired Direct Line Insurance Group plc's (DLG) brokered commercial lines operations through various agreements, including a quota share reinsurance agreement. The insurance policies subject to the quota share agreement remained the legal responsibility of DLG until 1 April 2026, when the High Court of Justice in England and Wales approved their transfer to the Group. Refer to note 7.2 – Transfer of insurance contracts for further details.

The Group paid an interim ordinary dividend of £30m to 2283485 Alberta Limited during the period.

Our KPIs

The Group uses both IFRS and non-IFRS financial measures (APMs) to assess performance, including common insurance industry metrics. Refer to note 20 - Alternative performance measures for a reconciliation of these measures to the interim condensed consolidated income statement.

The KPIs most relevant to the financial performance of the Group are as follows:

Net written premiums[1] £1,692m (six month period ended 30 June 2025: £1,706m): represents the total amount of premiums for new and renewed policies written during the period, irrespective of whether they have been paid, less the amount shared with reinsurers. They represent how much premium the Group retains for assuming risk. The Group targets growth that does not compromise underwriting performance.

Underwriting result[1] £13m loss (six month period ended 30 June 2025: £120m profit). Net earned premium and other operating income less net claims and underwriting and policy acquisition costs. The Group aims to provide competitive pricing to customers that delivers a sustainable ongoing underwriting profit for the Group.

Loss before tax £47m (six month period ended 30 June 2025: £80m profit): net profit or loss generated before taxes have been deducted. This is a key statutory measure of the earnings performance of the Group. The Group seeks to maximise its profit before tax.

Principal risks and uncertainties

The Group continues to assess its principal risks and uncertainties and how these are managed. Any update to the risk management information disclosed in notes 9 and 11 of the 2025 Annual Report and Accounts is provided in the below notes to the interim condensed consolidated financial statements.

[1]Net written premiums and the underwriting result are APMs. For further information refer to note 20 for reconciliation to the nearest IFRS measure.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (unaudited)

As at	Note	**30 June 2026** £m	31 December 2025 £m
Assets			
Investments			
Cash and cash equivalents	**4**	**240**	142
Financial assets	**4**	**6,210**	6,078
Investment property	**4**	**380**	379
Total investments		**6,830**	6,599
Reinsurance contract assets	**7**	**1,262**	1,231
Income taxes receivable	**15**	**16**	-
Deferred tax assets		**273**	279
Property and equipment		**122**	112
Intangible assets	**8**	**449**	441
Goodwill	**8**	**349**	350
Other assets	**9**	**267**	271
Total assets		**9,568**	9,283
Liabilities			
Insurance contract liabilities	**7**	**6,267**	5,927
Income taxes payable		**4**	5
Deferred tax liabilities		**1**	1
Debt outstanding	**10**	**7**	6
Other liabilities	**9**	**497**	475
Total liabilities		**6,776**	6,414
Equity			
Share capital	**11**	**1,563**	1,563
Retained earnings		**1,214**	1,281
Other reserves		**15**	25
Total equity		**2,792**	2,869
Total liabilities and equity		**9,568**	9,283

The following explanatory notes form an integral part of these interim condensed consolidated financial statements.

The interim condensed consolidated financial statements were approved on 4 August 2026 by the Board of Directors and are signed on its behalf by:

Karim Hirji

Chief Financial Officer

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

For the six month period ended 30 June	Note	2026 £m	2025 £m
Insurance revenue	7	1,840	1,958
Insurance service expense	7	(1,760)	(1,610)
Insurance service result from insurance contracts		**80**	348
Expense from reinsurance contracts	7	(233)	(271)
Income from reinsurance contracts	7	180	87
Net expense from reinsurance contracts		**(53)**	(184)
Insurance service result		**27**	164
Net investment income	13	121	126
Net (losses) gains on investment portfolio	13	(32)	16
Net investment return		**89**	142
Insurance finance expense	13	(60)	(81)
Reinsurance finance income	13	19	17
Net insurance financial result		**(41)**	(64)
Net investment return and net insurance financial result		**48**	78
Other net gains (losses)	14	2	(4)
Other income and expense	14	(53)	(74)
Integration and restructuring costs		(69)	(79)
Finance costs		(2)	(5)
(Loss) profit before tax		**(47)**	80
Income tax credit (expense)	15	20	(3)
(Loss) profit		**(27)**	77

The following explanatory notes form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

For the six month period ended 30 June	**2026** **£m**	2025 £m
(Loss) profit	**(27)**	77
Items that may be reclassified to the income statement:		
Exchange (losses) gains net of tax on translation of foreign operations	**-**	1
Fair value (losses) gains on FVTOCI assets net of tax	**(10)**	17
	(10)	18
Items that will not be reclassified to the income statement:		
Pension – remeasurement of defined benefit asset/liability net of tax	**(10)**	1
	(10)	1
Other comprehensive (expense) income	**(20)**	19
Total comprehensive (expense) income	**(47)**	96

The following explanatory notes form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

For the six month period ended 30 June 2026	Ordinary share capital £m	Fair value reserve £m	Foreign currency translation reserve £m	Retained earnings £m	Equity £m
Balance at 1 January 2026	**1,563**	**(39)**	**64**	**1,281**	**2,869**
Total comprehensive income					
Loss	**-**	**-**	**-**	**(27)**	**(27)**
Other comprehensive expense	**-**	**(10)**	**-**	**(10)**	**(20)**
	-	**(10)**	**-**	**(37)**	**(47)**
Transactions with owners of the Group					
Contribution and distribution					
Ordinary share dividends	**-**	**-**	**-**	**(30)**	**(30)**
	-	**-**	**-**	**(30)**	**(30)**
Balance at 30 June 2026	**1,563**	**(49)**	**64**	**1,214**	**2,792**

For the six month period ended 30 June 2025					
Balance at 1 January 2025	1,563	(63)	59	1,208	2,767
Total comprehensive income					
Profit	-	-	-	77	77
Other comprehensive income	-	17	1	1	19
	-	17	1	78	96
Transactions with owners of the Group					
Contribution and distribution					
Ordinary share dividends	-	-	-	(160)	(160)
	-	-	-	(160)	(160)
Balance at 30 June 2025	1,563	(46)	60	1,126	2,703

The following explanatory notes form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

For the six month period ended 30 June	Note	2026 £m	2025 £m
Operating activities			
(Loss) profit before tax		**(47)**	80
Income tax paid		**(4)**	(4)
Adjustments for non-cash items	**18**	**57**	36
Changes in other operating assets and liabilities	**18**	**298**	(17)
Net cash flows provided by operating activities		**304**	95
Investing activities			
Proceeds from sale of investments		**2,424**	2,187
Purchase of investments		**(2,543)**	(2,009)
Purchase of intangibles and property and equipment, net		**(52)**	(37)
Net cash flows (used in) provided by investing activities		**(171)**	141
Financing activities			
Payment of lease liabilities		**(6)**	(6)
Payment of dividends on ordinary shares		**(30)**	(160)
Net cash flows used in financing activities		**(36)**	(166)
Net increase in cash and cash equivalents		**97**	70
Cash and cash equivalents, net of bank overdraft at beginning of the period		**142**	221
Cash and cash equivalents, net of overdraft at end of the period	**18**	**239**	291

The following explanatory notes form an integral part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Glossary of abbreviations

AIC	Asset for incurred claims	**IAS**	International Accounting Standards
ARC	Asset for remaining coverage	**IFRS**	International Financial Reporting Standards
CAD	Canadian Dollar, Canada's official currency	**LIC**	Liability for incurred claims
CPI	Consumer price index	**LRC**	Liability for remaining coverage
DB	Defined benefits	**OCI**	Other comprehensive income
EUR (€)	Currency of the Euro zone countries in Europe	**PAA**	Premium Allocation Approach
FVTOCI	Fair value through other comprehensive income	**RPI**	Retail price index
FVTPL	Fair value through profit or loss	**UK**	United Kingdom
GBP (£)	British pound sterling, UK's official currency	**USD**	US Dollar, United States official currency
GMM	General Measurement Model		

1. Status of the Company

The Company is an indirect subsidiary of Intact. Its parent is 2283485 Alberta Limited (a Canadian incorporated company), a wholly owned subsidiary of Intact, the ultimate controlling party. It operates in the UK, Ireland and Continental Europe.

These interim condensed consolidated financial statements include the accounts of the Company and its subsidiaries. The Company's significant operating subsidiaries are listed in Appendix A of the Group's annual consolidated financial statements for the year ended 31 December 2025. These interim condensed financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 were approved by the board of directors on 3 March 2026 and delivered to the Registrar of Companies. The independent auditor's report on the Group accounts for the year ended 31 December 2025 is unqualified, does not draw attention to any matters by way of emphasis and does not include a statement under section 498(2) or (3) of the Companies Act 2006.

The registered office of the Company is Floor 8, 22 Bishopsgate, London, EC2N 4BQ, United Kingdom.

2. Basis of presentation

2.1 Statement of compliance

These interim condensed consolidated financial statements and the accompanying notes are prepared in accordance with IAS 34 - Interim Financial Reporting as adopted by the UK. They were authorised for issuance in accordance with a resolution of the Board of Directors on 4 August 2026.

2.2 Preparation and presentation of financial statements

These interim consolidated financial statements are condensed financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025, prepared in accordance with UK-adopted international accounting standards.

The Group presents its interim condensed consolidated statement of financial position broadly in order of liquidity.

Except where otherwise stated, all figures included in the interim condensed consolidated financial statements are presented in millions of pounds sterling (£m).

2.3 Seasonality

General insurance business is seasonal in nature. While Insurance revenue net of Expense from reinsurance contracts is generally stable from period to period, insurance service results are influenced by weather conditions which may vary significantly between reporting periods.

2.4 Going concern

The interim condensed consolidated financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Board have reviewed the Group's ongoing commitments over the next twelve months. The Board's assessment included review of the Group's strategic plans and latest forecasts, capital position and liquidity including on demand capital funding arrangements with Intact. The risk profile, both current and emerging, has been considered, as well as the implications for capital. These assessments include sensitivity analysis and stress testing and scenario analysis on forward-looking capital projections, assessing a combined 1-in-10 year market risk shock, a 1-in-20 year catastrophe shock, and reduction of longer-term underwriting profitability. Key risk indicators demonstrate that available capital is aligned to the Group's risk appetite. Risk management strategies are in place to assess and mitigate climate risk, with stress and scenario testing and climate scenario analysis informing the Group's policies and standards, pricing, risk selection and reinsurance. The Board have considered the impact of events after the balance sheet date, with none identified which could impact the Group's ability to continue as a going concern.

Based on this review no material uncertainties that would require disclosure have been identified in relation to the ability of the Group to remain a going concern over the next twelve months from the date of the approval of the interim condensed consolidated financial statements.

2.5 Foreign currency translation

The rates of exchange used in the preparation of the interim condensed consolidated financial statements are as follows:

	As at		**Average rate for the period**	
	30 June 2026	**31 December 2025**	**30 June 2026**	**30 June 2025**
EUR	**1.16**	1.15	**1.15**	1.19
CAD	**1.88**	1.85	**1.85**	1.83
USD	**1.33**	1.35	**1.35**	1.30

2.6 Geopolitical risk

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. Refer to note 4.2 - Geopolitical risk of the Group's annual consolidated financial statements for the year ended 31 December 2025 for more details.

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

3. Summary of material accounting policies

The accounting policies applied during the six month period ended 30 June 2026 are the same as those described and disclosed in note 3 - Summary of material accounting policies in the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the amendments to existing standards described below and adopted on 1 January 2026.

3.1 Amendments to the classification and measurement of financial instruments

In May 2024, the IASB published *Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7* to address matters identified during the post-implementation review of IFRS 9. The amendments clarify the classification of certain financial assets as well as the derecognition of a financial liability and introduce an accounting policy option for the derecognition of financial liabilities settled through electronic transfer if certain conditions are met. The amendments also add disclosure requirements for certain financial instruments.

The Group has elected to apply these amendments to all payments excluding contracts in the scope of IFRS 17 - *Insurance contracts*, with no restatement to the comparative figures. There was no significant impact on these interim condensed consolidated financial statements following the application of the amendments.

4. Investments

4.1 Classification of investments

	FVTPL					
As at 30 June 2026	**Designated as FVTPL £m**	**Classified as FVTPL £m**	**Measured at FVTPL £m**	**FVTOCI £m**	**Amortised Cost £m**	**Total carrying amount £m**
Cash and cash equivalents	**-**	**-**	**-**	**-**	**240**	**240**
Debt & fixed income securities	**2,621**	**387**	**-**	**2,407**	**-**	**5,415**
Equity securities	**-**	**549**	**-**	**-**	**-**	**549**
Loans	**-**	**-**	**-**	**-**	**246**	**246**
Investment property	**-**	**-**	**380**	**-**	**-**	**380**
Total	**2,621**	**936**	**380**	**2,407**	**486**	**6,830**
As at 31 December 2025						
Cash and cash equivalents	-	-	-	-	142	142
Debt & fixed income securities	2,356	363	-	2,555	-	5,274
Equity securities	-	551	-	-	-	551
Loans	-	-	-	-	253	253
Investment property	-	-	379	-	-	379
Total	2,356	914	379	2,555	395	6,599

4.2 Carrying amounts of investments

The following tables analyse the cost/amortised cost, gross unrealised gains and losses, and fair value of financial assets and investment property.

	FVTPL investments	Other investments				Total investments
As at 30 June 2026	**Carrying amount £m**	**Cost/ amortised cost £m**	**Unrealised gains £m**	**Unrealised losses £m**	**Carrying amount £m**	**Carrying amount £m**
Cash and cash equivalents	**-**	**240**	**-**	**-**	**240**	**240**
Debt & fixed income securities	**3,008**	**2,516**	**13**	**(122)**	**2,407**	**5,415**
Equity securities	**549**	**-**	**-**	**-**	**-**	**549**
Loans	**-**	**246**	**-**	**-**	**246**	**246**
Investment property	**380**	**-**	**-**	**-**	**-**	**380**
Total	**3,937**	**3,002**	**13**	**(122)**	**2,893**	**6,830**
As at 31 December 2025						
Cash and cash equivalents	-	142	-	-	142	142
Debt & fixed income securities	2,719	2,618	16	(79)	2,555	5,274
Equity securities	551	-	-	-	-	551
Loans	-	253	-	-	253	253
Investment property	379	-	-	-	-	379
Total	3,649	3,013	16	(79)	2,950	6,599

5. Derivative financial instruments

5.1 Fair value and notional amount of derivatives

The Group generally uses derivatives for economic hedging purposes and to improve the risk profile of its investment portfolio, provided the resulting exposures remain within the guidelines of its investment policy. In certain circumstances, these hedges also meet the requirements for hedge accounting. Risk management strategies eligible for hedge accounting have been designated as net investment hedges in foreign operations.

The following table presents the notional amount by remaining term to maturity and fair value of derivatives held by the Group based on their designation in qualifying hedge accounting relationships.

As at		**30 June 2026**			31 December 2025		
		Notional amount	**Fair value**		Notional amount	Fair value	
			Asset	**Liability**		Asset	Liability
Type of hedge	**Instrument type**	**£m**	**£m**	**£m**	£m	£m	£m
Designated for hedge accounting							
Net investment hedges	Currency forwards	**237**	**4**	**-**	238	2	-
		237	**4**	**-**	238	2	-
Not designated for hedge accounting							
	Currency forwards	**246**	**1**	**4**	299	3	1
	Equity swaps	**-**	**-**	**-**	66	-	1
	Inflation swaps	**120**	**32**	**11**	120	33	14
		366	**33**	**15**	485	36	16
		603	**37**	**15**	723	38	16

6. Fair value measurement

The fair value of financial instruments on initial recognition is normally the transaction price, being the value of the consideration. After initial recognition, the fair value of financial instruments is based on available information and categorised according to a three-level fair value hierarchy.

6.1 Fair value hierarchy

The three-level fair value hierarchy comprises:

i. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
ii. Level 2 fair value measurements are those derived from data other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
iii. Level 3 fair value measurements are those derived from valuation techniques that include significant inputs for the asset or liability valuation that are not based on observable market data (unobservable inputs).

A financial instrument is regarded as quoted in an active market (Level 1) if quoted prices for that financial instrument are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For Level 1 and Level 2 investments, the Group uses prices received from external providers who calculate these prices from quotes available at the reporting date for the particular investment being valued. For investments that are actively traded, the Group determines whether the prices meet the criteria for classification as a Level 1 valuation. The price provided is classified as a Level 1 valuation when it represents the price at which the investment traded at the reporting date, taking into account the frequency and volume of trading of the individual investment, together with the spread of prices that are quoted at the reporting date for such trades. Typically, investments in frequently traded government debt would meet the criteria for classification in the Level 1 category. Where the prices provided do not meet the criteria for classification in the Level 1 category, the prices are classified in the Level 2 category. Market traded securities only reflect the possible impact of climate change to the extent that this is built into the market price at which securities are trading.

In certain circumstances, the Group does not receive pricing information from an external provider for its financial investments. In such circumstances the Group calculates fair value, which may use input parameters that are not based on observable market data. Unobservable inputs are based on assumptions that are neither supported by prices from observable current market transactions for the same instrument nor based on available market data. In these cases, judgement is required to establish fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Derivative financial instruments

Derivative financial instruments are financial contracts whose fair value is determined on a market basis by reference to underlying interest rate, foreign exchange rate, equity or commodity instrument or other indices.

Cash and cash equivalents, loans, other assets and other liabilities and issued debt

For cash and cash equivalents, loans, commercial paper, other assets, liabilities, accruals and issued debt, carrying amounts are reasonable approximations of their fair values. Loans represent direct lending for investment purposes.

The principal investments classified as Level 3, and the valuation techniques applied to them, are described below.

Investment property

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, 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.

Private fund structures

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. If necessary, the Group will adjust the fund's reported NAV to more appropriately represent the fair value of its interest in the investment.

The items presented in the following table are measured in the interim condensed consolidated statement of financial position at fair value. The table does not include financial assets and liabilities not measured at fair value for which the carrying value is a reasonable approximation of fair value.

6.2 Categorisation of fair value

As at 30 June 2026	**Level 1 £m**	**Level 2 £m**	**Level 3 £m**	**Total £m**
Debt & fixed income securities	**1,332**	**3,696**	**387**	**5,415**
Equity securities	**513**	**-**	**36**	**549**
Investment Property	**-**	**-**	**380**	**380**
Derivative assets	**-**	**37**	**-**	**37**
Total assets measured at fair value	**1,845**	**3,733**	**803**	**6,381**
Derivative liabilities	**-**	**15**	**-**	**15**
Equities short sold position	**143**	**-**	**-**	**143**
Total liabilities measured at fair value	**143**	**15**	**-**	**158**

As at 31 December 2025	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Debt & fixed income securities	1,210	3,701	363	5,274
Equity securities	510	-	41	551
Investment Property	-	-	379	379
Derivative assets	-	39	-	39
Total assets measured at fair value	1,720	3,740	783	6,243
Derivative liabilities	-	16	-	16
Equities short sold position	119	-	-	119
Total liabilities measured at fair value	119	16	-	135

6.3 Reconciliation of fair value measurement of level 3 financial assets and investment property

	Classified as FVTPL		**Measured as FVTPL**	
For the six month period ended 30 June 2026	**Debt & fixed income securities £m**	**Equity securities £m**	**Investment property £m**	**Total £m**
Balance, beginning of period	**363**	**41**	**379**	**783**
Gains / (losses)[1]	**-**	**1**	**1**	**2**
Purchases	**87**	**-**	**-**	**87**
Disposals	**(63)**	**(6)**	**-**	**(69)**
Balance, end of period	**387**	**36**	**380**	**803**

[1]Includes £100k of gains in relation to securities and property recognised on the Interim condensed consolidated statement of financial position at 30 June 2026. These gains are recognised in the Net gains (losses) on investment portfolio line in the Interim condensed consolidated income statement.

For the six month period ended 30 June 2025	Classified as FVTPL Debt & fixed income securities £m	 Equity securities £m	Measured as FVTPL Investment property £m	 Total £m
Balance, beginning of period	302	48	317	667
Gains / (losses)[1]	(11)	(8)	5	(14)
Purchases	24	14	21	59
Disposals	(118)	(7)	-	(125)
Exchange adjustment	-	1	-	1
Balance, end of period	197	48	343	588

[1]Includes £4m of losses in relation to securities and property recognised on the Interim condensed consolidated statement of financial position at 30 June 2025. These losses are recognised in the Net gains (losses) on investment portfolio line in the Interim condensed consolidated income statement.

6.4 Fair value sensitivity (level 3 assets)

The following table shows the level 3 financial assets and investment property carried at fair value as at the balance sheet date, the main assumptions used in the valuation of these instruments and reasonably possible decreases in fair value based on reasonably possible alternative assumptions.

		Reasonably possible alternative assumptions[1]			
		2026		2025	
Financial assets and investment property	**Main assumptions**	**Current fair value £m**	**Decrease in fair £m**	Current fair value £m	Decrease in fair value £m
Level 3 FVTPL financial assets					
Equity securities	Cash flows; discount rate	**36**	**-**	41	-
Debt & fixed income securities	Cash flows; discount rate	**387**	**(6)**	363	(6)
Investment property	Cash flows; discount rate	**380**	**(28)**	379	(28)
Total		**803**	**(34)**	783	(34)

[1]The Group’s investments in financial assets classified at level 3 in the hierarchy are primarily investments in various private fund structures investing in debt instruments where the valuation includes estimates of the credit spreads on the underlying holdings. The estimates of the credit spread are based upon market observable credit spreads for what are considered to be assets with similar credit risk. Reasonably possible alternative valuations for these instruments have been determined using an increase of 50bps in the credit spread used in the valuation (31 December 2025: 50bps). Reasonably possible alternative assumptions for investment property have been determined using an increase of 50bps in the equivalent yield (31 December 2025: 50bps).

7. Insurance and reinsurance contracts

7.1 Insurance revenue

For the six month period ended 30 June	**2026** **£m**	2025 £m
Contracts measured under PAA	1,811	1,991
Contracts measured under the GMM		
Amounts related to changes in liability for remaining coverage		
Risk adjustment recognised for the risk expired	1	(1)
Expected incurred claims and other insurance service expense	28	(32)
Total insurance revenue	1,840	1,958

7.2 Transfer of insurance contracts

In 2023, the Group acquired the brokered commercial lines operations of Direct Line Insurance Group (DLG). The acquisition included a quota share reinsurance agreement, prior to the transfer of policy renewals. The policies subject to this agreement remained the legal responsibility of DLG until 1 April 2026, when following court approval, the Group became legally responsible for these policies, and the quota share reinsurance agreement was terminated.

On 1 April 2026, these policies were accounted for as acquired claims and treated as new insurance contracts issued by the Group. As a result, the Group reclassified £173m from LIC to LRC and £5m from AIC to ARC in relation to the quota share agreement. The Group also recognised £49m of LRC with a corresponding ARC for transferred claims, previously retained by DLG that could not be separated from the underlying policies. These have subsequently been ceded back to DLG. The Group's net exposure was unchanged after this transaction.

Refer to note 3.3 - Insurance and reinsurance contracts of the annual consolidated financial statements for the year ended 31 December 2025, for more details.

7.3 Reconciliation of movements in carrying amounts

The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts changed during the period as a result of cash flows and amounts recognised in the interim condensed consolidated income statement.

The Group presents tables that separately analyse movements in the liability for remaining coverage and the liability for incurred claims and reconcile these movements to the line items in the Interim condensed consolidated income statement.

Insurance contracts analysis by remaining coverage and incurred claims

	2026			2025		
For the six month period ended 30 June	**LRC £m**	**LIC £m**	**Total £m**	LRC £m	LIC £m	Total £m
Insurance contract liabilities, beginning of period	**(376)**	**(5,551)**	**(5,927)**	(371)	(5,477)	(5,848)
Changes in comprehensive income:						
Insurance revenue	**1,840**	**-**	**1,840**	1,958	-	1,958
Incurred claims and other insurance service expense	**1**	**(1,413)**	**(1,412)**	33	(1,382)	(1,349)
Amortisation of insurance acquisition cash flows	**(349)**	**-**	**(349)**	(375)	-	(375)
Losses and reversals on onerous contracts	**(9)**	**-**	**(9)**	-	-	-
Adjustments to liabilities for incurred claims	**-**	**10**	**10**	-	114	114
Insurance service expense	**(357)**	**(1,403)**	**(1,760)**	(342)	(1,268)	(1,610)
Insurance service result from insurance contracts	**1,483**	**(1,403)**	**80**	1,616	(1,268)	348
Insurance finance expense	**-**	**(60)**	**(60)**	13	(94)	(81)
Exchange rate differences	**(3)**	**4**	**1**	(2)	(3)	(5)
Total changes in comprehensive income	**1,480**	**(1,459)**	**21**	1,627	(1,365)	262
Cash flows						
Premium received	**(1,943)**	**-**	**(1,943)**	(1,972)	-	(1,972)
Claims and other insurance service expense paid	**-**	**1,273**	**1,273**	-	1,337	1,337
Insurance acquisition cash flows	**358**	**-**	**358**	388	-	388
Total cash flows	**(1,585)**	**1,273**	**(312)**	(1,584)	1,337	(247)
Transfer of contracts (note 7.2)	**(222)**	**173**	**(49)**	**-**	**-**	**-**
Insurance contract liabilities, end of period	**(703)**	**(5,564)**	**(6,267)**	(328)	(5,505)	(5,833)

Reinsurance contracts analysis by remaining coverage and incurred claims

	2026			2025		
	ARC	**AIC**	**Total**	ARC	AIC	Total
For the six month period ended 30 June	**£m**	**£m**	**£m**	£m	£m	£m
Reinsurance contract assets, beginning of period	**17**	**1,214**	**1,231**	(3)	1,313	1,310
Changes in comprehensive income:						
Expense from reinsurance contracts	**(233)**	**-**	**(233)**	(272)	-	(272)
Amounts recoverable for incurred claims and other expenses	**(2)**	**95**	**93**	-	87	87
Loss recoveries and reversals on onerous contracts	**4**	**-**	**4**	-	-	-
Adjustments to assets for incurred claims	**-**	**83**	**83**	-	-	-
Income from reinsurance contracts	**2**	**178**	**180**	-	87	87
Net expense from reinsurance contracts	**(231)**	**178**	**(53)**	(272)	87	(185)
Reinsurance finance income	**1**	**18**	**19**	(1)	18	17
Exchange rate differences	**-**	**-**	**-**	(2)	2	-
Total changes in comprehensive income	**(230)**	**196**	**(34)**	(275)	107	(168)
Cash flows						
Premium paid	**215**	**-**	**215**	313	-	313
Amounts received	**-**	**(199)**	**(199)**	-	(170)	(170)
Total cash flows	**215**	**(199)**	**16**	313	(170)	143
Transfer of contracts (note 7.2)	**54**	**(5)**	**49**	**-**	**-**	**-**
Reinsurance contract assets, end of period	**56**	**1,206**	**1,262**	35	1,250	1,285

7.4 Reconciliation of the liability for incurred claims to undiscounted value

	30 June 2026			31 December 2025		
	Direct	**Ceded**	**Net**	Direct	Ceded	net
As at	**£m**	**£m**	**£m**	£m	£m	£m
Undiscounted value	**(5,528)**	**1,093**	**(4,435)**	(5,268)	1,070	(4,198)
Effect of time value of money	**412**	**(78)**	**334**	365	(71)	294
Undiscounted risk adjustment	**(196)**	**39**	**(157)**	(190)	43	(147)
Periodic payment orders[1]	**(270)**	**122**	**(148)**	(265)	123	(142)
Liability for incurred claims before net payables and claims reported under the GMM	**(5,582)**	**1,176**	**(4,406)**	(5,358)	1,165	(4,193)
Net payables included in incurred claims	**(186)**	**82**	**(104)**	(193)	50	(141)
Reclass of claims reported under the GMM	**204**	**(52)**	**152**	-	(1)	(1)
Liability for incurred claims	**(5,564)**	**1,206**	**(4,358)**	(5,551)	1,214	(4,335)

[1]The net periodic payment orders are net of the discount and risk adjustment of **£207m** as at 30 June 2026 (£209m as at 31 December 2025).

7.5 Discount rates

The following table presents the yield curves used to discount cash flows for insurance and reinsurance contracts. Refer to note 10 - Insurance and reinsurance contracts of the annual consolidated financial statements for the year ended 31 December 2025 for more details.

	30 June 2026				31 December 2025			
	1 year	**3 years**	**5 years**	**10 years**	1 year	3 years	5 years	10 years
GBP	**4.5%**	**4.7%**	**4.9%**	**5.4%**	4.0%	4.3%	4.5%	5.1%
EUR	**2.8%**	**3.1%**	**3.2%**	**3.7%**	2.3%	2.8%	3.1%	3.7%
CAD	**2.9%**	**3.4%**	**3.6%**	**4.1%**	2.7%	3.3%	3.6%	4.2%
USD	**4.3%**	**4.6%**	**4.7%**	**5.1%**	3.9%	4.0%	4.3%	4.8%
Periodic payment orders	**4.0%**	**4.0%**	**4.0%**	**4.0%**	4.0%	4.0%	4.0%	4.0%

8. Goodwill and intangible assets

8.1 Carrying values of goodwill and intangible assets

As at	**30 June 2026** **£m**	31 December 2025 £m
Goodwill	**349**	350
Internally generated software	**294**	276
Trade names	**-**	5
Distribution networks	**155**	160
	798	791

9. Other assets and liabilities

9.1. Other assets

As at	**30 June 2026** **£m**	31 December 2025 £m
Financial assets related to investments	**47**	55
Other debtors	**44**	49
Pension plans in a surplus position (note 16)	**54**	54
Accrued interest and rent	**82**	70
Prepayments	**40**	43
Total other assets	**267**	271
Financial assets related to investments		
Amounts receivable from investment brokers on unsettled trades	**4**	16
Investment property debtors	**5**	-
Derivative financial assets (note 5.1)	**37**	39
Collateral assets	**1**	-
Total financial assets related to investments	**47**	55

9.2. Other liabilities

As at	**30 June 2026** **£m**	31 December 2025 £m
Financial liabilities related to investments	**218**	174
Other creditors	**24**	41
Accruals	**150**	160
Deferred income	**-**	1
Lease liabilities	**81**	72
Pension plans in a deficit position and unfunded plans (note 16)	**2**	3
Provisions	**21**	24
Bank overdraft	**1**	-
	497	475
Financial liabilities related to investments		
Accounts payable to investment brokers on unsettled trades	**38**	15
Derivative financial liabilities (note 5.1)	**15**	16
Collateral liabilities	**22**	24
Equities sold short position	**143**	119
	218	174

10. Debt outstanding

As at	Maturity date	Initial term (years)	Fixed rate %	Coupon payment	Principal amount	Amortised cost 30 June 2026 £m	Amortised cost 31 December 2025 £m
US bonds	Oct-29	30	8.95	Apr. & Oct.	$9m	**7**	6
						7	6

The subordinated guaranteed US$ bonds were issued in 1999 and have a nominal value of $9m and a redemption date of 15 October 2029. The rate of interest payable on the bonds is 8.95%.

The bonds are contractually subordinated to all other creditors of the Group such that in the event of a winding up or of bankruptcy, they would be repaid only after the claims of all other creditors have been met.

The Group has the option to defer interest payments on the bonds but has to date not exercised this right.

There have been no defaults on any bonds during the period.

11. Share capital

The issued share capital of the parent company is fully paid and is summarised in the following table:

As at 30 June	2026 Number	2026 £m	2025 Number	2025 £m
Ordinary shares of £1 each	**1,563,286,980**	**1,563**	1,563,286,980	1,563
	1,563,286,980	**1,563**	1,563,286,980	1,563

There have been no movements during the period of ordinary shares in issue or nominal value (30 June 2025: no movement).

12. Distributions declared and paid

For the six month period ended 30 June	2026 £m	2025 £m
Ordinary dividend	**30**	160
	30	160

On 22 May 2026, an interim ordinary dividend of £30m was paid by the Company on behalf of the Group to 2283485 Alberta Limited (2025: £160m on 17 June).

13. Net investment return and net insurance financial result

13.1 Net investment return and net insurance financial result

For the six month period ended 30 June	2026 £m	2025 £m
Net investment income	**121**	126
Net (losses) gains on investment portfolio	**(32)**	16
Net investment return	**89**	142
Net insurance financial result	**(41)**	(64)
Net investment return and net insurance financial results	**48**	78

13.2 Net investment income

For the six month period ended 30 June	**2026 £m**	2025 £m
Interest income calculated using the effective interest method:		
Debt securities classified as FVTOCI	**45**	53
Loans and cash and cash equivalents at amortised cost	**10**	11
Interest and similar income on securities classified or designated as FVTPL	**56**	51
Interest income	**111**	115
Dividend income on FVTPL equity securities	**7**	8
Investment property rental income	**10**	9
Investment income	**128**	132
Investment expense	**(7)**	(6)
Net investment income	**121**	126

13.3 Net gains (losses) on investment portfolio

	2026			2025		
For the six month period ended 30 June	**Fixed income £m**	**Equity and property £m**	**Total £m**	Fixed income £m	Equity and property £m	Total £m
Financial instruments:						
Classified as FVTOCI	**(3)**	**-**	**(3)**	1	-	1
Classified or designated as FVTPL	**(23)**	**12**	**(11)**	13	21	34
	(26)	**12**	**(14)**	14	21	35
Derivatives[1]	**-**	**(3)**	**(3)**	1	(2)	(1)
Investment property	**-**	**1**	**1**	-	5	5
Net foreign currency losses	**(16)**	**-**	**(16)**	(23)	-	(23)
	(42)	**10**	**(32)**	(8)	24	16

[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.

13.4 Net insurance financial result

For the six month period ended 30 June	**2026 £m**	2025 £m
Change in the carrying amount of insurance contracts due to:		
Unwind of discount	**(101)**	(107)
Changes in discount rates and other financial assumptions	**23**	(21)
Net foreign currency gains	**18**	47
Insurance finance expense	**(60)**	(81)
Change in the carrying amount of reinsurance contracts due to:		
Unwind of discount	**22**	25
Changes in discount rates and other financial assumptions	**(5)**	6
Net foreign currency gains (losses)	**2**	(14)
Reinsurance finance income	**19**	17
Net insurance financial result	**(41)**	(64)

14. Other net (losses) gains and other income and expense

14.1 Components of other net (losses) gains

For the six month period ended 30 June	**2026** **£m**	2025 £m
Other net foreign currency gains (losses)	**2**	(4)
	2	(4)

14.2 Other income and other expense

For the six month period ended 30 June	**2026** **£m**	2025 £m
Other income[1]	**9**	-
Other expense[2]	**(62)**	(74)
	(53)	(74)

[1]Includes £6.8m compensation due from HMRC for the time value of money associated with historical income tax overpayments and £2.0m relating to chargeback income.

[2]Includes administration costs, amortisation of acquired brands and distribution channels and other expenses

15. Income taxes

15.1 Income tax expense recognised in the interim condensed consolidated income statement

For the six month period ended 30 June	**2026** **£m**	2025 £m
Current income tax (credit) expense	**(15)**	18
Deferred income tax (credit)	**(5)**	(15)
Total tax (credit) charge to income statement	**(20)**	3

15.2 Effective income tax rate

For the six month period ended 30 June	**2026**	2025
Statutory tax rates	**25.0%**	25.0%
(Decrease) increase in income tax rates resulting from:		
Non-taxable investment income	**4.0%**	(3.1)%
Non-deductible expenses	**(2.4)%**	2.1%
Prior year tax expense	**28.1%**	-
Changes in tax legislation	**(19.4)%**	-
Recognition of prior year deferred tax assets	**29.1%**	(16.8)%
Change in unrecognised deferred tax assets	**(18.3)%**	(2.1)%
Different tax rates of subsidiaries operating in other jurisdictions	**(0.1)%**	(3.1)%
Other	**(3.6)%**	1.8%
Effective income tax rate	**42.4%**	3.8%

15.3 Income tax receivable

The income tax receivable balance of £16m held as at 30 June 2026 relates to historical income tax overpayments. As the receivable is due from a separate tax authority to the income tax payable balance, it is presented separately in the financial statements.

16. Employee future benefits

DB pension plans are recognised on the consolidated balance sheet as an asset when plans are in a surplus position, or as a liability when plans are in a deficit position. This classification is determined on a plan-by-plan basis.

16.1 Funded status

	30 June 2026			31 December 2025		
	UK	**Other**	**Total**	UK	Other	Total
As at	**£m**	**£m**	**£m**	£m	£m	£m
Defined benefit obligation (funded)	**(4,692)**	**(61)**	**(4,753)**	(4,792)	(60)	(4,852)
Defined benefit obligation (unfunded)	**(2)**	**-**	**(2)**	(3)	-	(3)
Fair value of plan assets	**4,739**	**79**	**4,818**	4,842	76	4,918
	45	**18**	**63**	47	16	63
Other net surplus remeasurements	**(12)**	**-**	**(12)**	(12)	-	(12)
Net DB asset	**33**	**18**	**51**	35	16	51
Recognised in:						
Other assets - plans in a surplus position	**35**	**18**	**53**	38	16	54
Other liabilities - plans in a deficit position and unfunded plans	**(2)**	-	**(2)**	(3)	-	(3)
	33	**18**	**51**	35	16	51

16.2 Employee future benefit recognised in the interim condensed consolidated income statement

	2026	2025
As at 30 June	**£m**	£m
Net interest expense:		
Interest expense on DB obligation	**(130)**	(132)
Interest income on plan assets	**131**	132
Other	**(2)**	(5)
	(1)	(5)

16.3 Actuarial gains (losses) on employee future benefits, net of other surplus remeasurement, recognised in OCI

	2026	2025
As at 30 June	**£m**	£m
Changes in discount rate used to determine the benefit obligation	**161**	43
Actual return on plan assets	**(76)**	(67)
Plan experience and change in other financial assumptions[1]	**(84)**	24
	1	-

[1] Changes in other financial assumptions are mainly related to inflation rate.

16.4 Assumptions used

The following table presents changes of certain key assumptions as disclosed in note 26.5 - Accounting judgements, estimates and assumptions of the Group's annual consolidated financial statements for the year ended 31 December 2025.

The weighted average principal actuarial assumptions used are:

	UK		Other	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	%	%	**%**	%
Assumptions used in calculation of retirement benefit				
Discount rate	**5.73**	5.45	**4.20**	4.30
Annual rate of inflation (RPI)	**2.97**	2.83	**-**	-
Annual rate of inflation (CPI)	**2.47**	2.33	**2.35**	2.20
Annual rate of increase in pensions[1]	**2.85**	2.75	**2.35**	2.20
Assumptions used in calculation of pension net interest				
Discount rate	**5.45**	5.46	**4.30**	3.75

[1] For the UK the annual rate of increase in pensions shown is the rate that applies to pensions that increase at RPI subject to a cap of 5%.

16.5 UK plans

During 2023, the Group announced that the Trustees of its two major UK DB pension plans had entered into an agreement with Pension Insurance Corporation (PIC) 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. On 10 June 2026, the plans commenced the wind-up process, with all liabilities expected to be bought out by PIC during 2027. As the plans' obligations to members are fully covered by the buy-ins, no further contributions are expected to be required by the Group and the wind-up is not expected to have a material impact on the Group's consolidated financial statements other than the derecognition of the related assets and liabilities.

17. Operating segments

17.1 Reportable segments

The Group's primary operating segments comprise UK, International and Central Functions. The primary operating segments are based on geography. International comprises operating segments based in Ireland and Europe. Central Functions includes the Group's internal reinsurance function, which includes reinsurance with the wider Intact group. Each operating segment is managed by individuals who are accountable to the Chief Executive and the Board of Directors, who together are the chief operating decision makers in respect of the operating activities of the Group. The UK is the Group's country of domicile and one of its principal markets.

17.2 Assessing segment performance

The Group uses the following key measures to assess the performance of its operating segments:

i. Net written premiums
ii. Underwriting result

Net written premiums is a key measure of revenue used in internal reporting.

Underwriting result is the key internal measure of profitability of the operating segments.

Net written premiums and underwriting result are APMs. Refer to note 20 for a reconciliation to the nearest IFRS measure.

Transfers or transactions between segments are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

17.3 Segment revenue and results

For the six month period ended 30 June 2026	**UK £m**	**International £m**	**Central Functions £m**	**Total £m**
Net written premiums (management basis note 20)	**889**	**343**	**460**	**1,692**
Underwriting result (note 20)[1,2]	**(48)**	**6**	**29**	**(13)**
Net investment income (note 13)				**121**
Central costs and other activities (note 20)				**(4)**
Business operating result (management basis)				**104**
Realised gains				**6**
Net insurance finance result, foreign exchange and gains (losses) on investments				**(77)**
Finance costs				**(2)**
Amortisation of intangible assets[1]				**(8)**
Pension net interest and administration costs (note 16)				**(1)**
Integration and restructuring costs[1]				**(69)**
Loss before tax				**(47)**
Tax on operations (note 15)				**20**
Loss				**(27)**

For the six month period ended 30 June 2025	UK £m	International £m	Central Functions £m	Total £m
Net written premiums (management basis note 20)	986	315	405	1,706
Underwriting result (note 20)[1,2]	80	22	18	120
Net investment income (note 13)				126
Central costs and other activities (note 20)				(16)
Business operating result (management basis)				230
Realised losses				17
Net insurance finance result, foreign exchange and gains (losses) on investments				(69)
Finance costs				(5)
Amortisation of intangible assets[1]				(9)
Pension net interest and administration costs (note 16)				(5)
Integration and restructuring costs[1]				(79)
Profit before tax				80
Tax on operations (note 15)				(3)
Profit				77

[1] Total amortisation expense is **£39m** (2025: £70m). This relates to the UK segment (2026: **£36m**; 2025: £68m) and the International segment (2026: **£3m**; 2025: £2m). The expense has been charged to Underwriting result (2026**: £24m**; 2025: £24m), Integration and restructuring costs (2026: **£7m**; 2025: £37m), and Amortisation of intangible assets (2026: **£8m**; 2025: £9m).

[2] Depreciation expense of **£8m** (2025: £5m) relates to the UK segment (2026: **£6m**; 2025: £4m) and the International segment (2026: **£2m**; 2025: £1m). The expense has been charged to Underwriting result.

17.3 Selected segment assets and liabilities

As at 30 June 2026	UK £m	International £m	Central Functions £m	Total £m
Investments (note 4)	**5,769**	**441**	**-**	**6,210**
Net liability for incurred claims[1]	**2,756**	**1,040**	**610**	**4,406**
As at 31 December 2025				
Investments (note 4)	5,636	442	-	6,078
Net liability for incurred claims[1]	2,659	1,015	519	4,193

[1] Represents the net liability for incurred claims before net payables included in incurred claims and the reclass of net claims reported under the GMM. Refer to note 7.3.

18. Additional information on the interim condensed consolidated statement of cash flows

18.1 Supplementary information on cash flows from operating activities

For the six month period ended 30 June	2026 £m	2025 £m
Adjustments for non-cash items		
Net losses (gains) on investment portfolio	**24**	(35)
Depreciation and impairment of property and equipment	**8**	10
Amortisation and impairment of intangible assets	**39**	70
Amortisation of investments	**(10)**	(15)
Pension net interest and admin costs (note 16)	**1**	5
Derecognition and disposal of intangibles	**-**	12
Foreign exchange gain	**(5)**	(9)
Other	**-**	(2)
	57	36
Changes in other operating assets/liabilities		
Contributions to the defined benefit pension plans	**-**	(8)
Changes in insurance and reinsurance contracts	**331**	37
Other operating assets	**(8)**	(32)
Other operating liabilities	**(25)**	(14)
	298	(17)
Other relevant cash flow disclosures - operating activities		
Interest paid	**(2)**	(2)
Interest received	**105**	110
Dividends received	**7**	8
	110	116

18.2 Composition of cash and cash equivalents

As at 30 June	2026 £m	2025 £m
Composition of cash and cash equivalents		
Cash	**156**	217
Cash equivalents	**84**	74
Cash and cash equivalents	**240**	291
Bank overdraft, recorded in Other liabilities	**(1)**	-
Cash and cash equivalents, net of bank overdraft	**239**	291

19. Related party transactions

19.1 Transactions with parent company

The Company's parent company is 2283485 Alberta Limited, a wholly owned subsidiary of Intact, the ultimate controlling party.

During the six month period to 30 June 2026, the Company paid an ordinary dividend on behalf of the Group of £30m on 22 May to 2283485 Alberta Limited. During the six month period to 30 June 2025 the Company paid an ordinary dividend on behalf of the Group of £160m to 2283485 Alberta Limited.

19.2 Other related party transactions

The Group has a reinsurance arrangement with Belair, a subsidiary of Intact. Under the terms of this arrangement, the insurance risk of a proportion of Belair's business covered by the quota share agreement is transferred to the Group. The Group pays a reinsurance commission in relation to the quota share agreement and the agreement covers 40% of Belair's insurance business. Collateral assets, comprising assets held in trust and a letter of credit, have been pledged by the Group as security against the outstanding balances for the Belair quota share.

The Group also has other reinsurance arrangements (some of which are secured by pledging collateral assets) and fronting transactions with entities that are part of the Intact group. Under these arrangements, risk is transferred to or from the Group on a risk-by-risk basis.

The amounts relating to the above related party transactions included in the interim condensed consolidated income statement are provided in the table below:

For the six month period ended 30 June	**2026** £m	2025 £m
Income (expenses) recognised in:		
Insurance revenue	**356**	280
Insurance service expenses	**(305)**	(242)
Income from reinsurance contracts	**6**	5
Expenses from reinsurance contracts	**(20)**	(19)
Net investment expense	**(1)**	(1)
Other income and expense	**1**	-

The amounts relating to the above related party transactions included in the interim condensed consolidated statement of financial position are provided in the table below:

As at	**30 June 2026** £m	31 December 2025 £m
Assets (liabilities) recognised in:		
Debt and fixed income securities	**974**	958
Equity securities	**1**	7
Reinsurance contract assets	**34**	29
Other assets	**7**	5
Insurance contract liabilities	**(1,055)**	(1,050)
Other liabilities	**(32)**	(32)

20. Alternative Performance Measures

IFRS reconciliation to management P&L

For the six month period ended 30 June 2026

£m	IFRS	Underwriting result	Investment result	Central costs	Business operating result	Other income and charges	Profit before tax
Insurance revenue	1,840	1,840			1,840		1,840
Insurance service expense	(1,760)	(1,760)			(1,760)		(1,760)
Insurance service result from insurance contracts	**80**						
Expense from reinsurance contracts	(233)	(233)			(233)		(233)
Income from reinsurance contracts	180	180			180		180
Net expense from reinsurance contracts	**(53)**						
Insurance service result	**27**						
Net investment income	121		121		121		121
Net losses on investment portfolio	(32)					(32)	(32)
Net investment return	**89**						
Insurance finance expense	(60)					(60)	(60)
Reinsurance finance income	19					19	19
Net insurance financial result	**(41)**						
Net investment return and net insurance financial result	**48**						
Other net gains	2					2	2
Other income and expense	(53)	(40)		(4)	(44)	(9)	(53)
Integration and restructuring costs	(69)					(69)	(69)
Finance costs	(2)					(2)	(2)
Loss before tax	**(47)**	**(13)**	**121**	**(4)**	**104**	**(151)**	**(47)**
Income tax credit	20						
Loss	**(27)**						

Reconciliation of Insurance revenue to Net written premiums

For the six month period ended 30 June 2026	£m
Insurance revenue	**1,840**
Movement in gross earned premium	90
Other income	(2)
Reinsurance written premiums	(330)
Revenue for internal contracts	123
Revenue measured under GMM	(29)
Net written premiums (note 17)	**1,692**

For the six month period ended 30 June 2025

£m	IFRS	Underwriting result	Investment result	Central costs	Business operating result	Other income and charges	Profit before tax
Insurance revenue	1,958	1,958			1,958		1,958
Insurance service expense	(1,610)	(1,610)			(1,610)		(1,610)
Insurance service result from insurance	**348**						
Expenses from reinsurance contracts	(271)	(271)			(271)		(271)
Income from reinsurance contracts	87	87			87		87
Net expense from reinsurance contracts	**(184)**						
Insurance service result	**164**						
Net investment income	126		126		126		126
Net losses on investment portfolio	16					16	16
Net investment return	**142**						
Insurance finance expense	(81)					(81)	(81)
Reinsurance finance income	17					17	17
Net insurance financial result	**(64)**						
Net investment return and net insurance financial result	**78**						
Other net losses	(4)					(4)	(4)
Other income and expense	(74)	(44)		(16)	(60)	(14)	(74)
Integration and restructuring costs	(79)					(79)	(79)
Other finance costs	(5)					(5)	(5)
Profit before tax	**80**	**120**	**126**	**(16)**	**230**	**(150)**	**80**
Income tax expense	(3)						
Profit	**77**						

Reconciliation of Insurance revenue to Net written premiums

For the six month period ended 30 June 2025	£m
Insurance revenue	**1,958**
Movement in gross earned premium	(6)
Other income	(10)
Reinsurance written premiums	(406)
Revenue for internal contracts	136
Revenue measured under GMM	34
Net written premiums (note 17)	**1,706**

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

We confirm that to the best of our knowledge:

The condensed set of financial statements has been prepared in accordance with the UK-adopted IAS 34 - Interim Financial Reporting and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

The interim management report includes a fair review of the information required by:

a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Signed on behalf of the Board

Karim Hirji	**Ken Norgrove**
Chief Financial Officer	Chief Executive Officer
4 August 2026	4 August 2026

INDEPENDENT REVIEW REPORT TO RSA INSURANCE GROUP LIMITED (the ‘Company’ and ‘Group’)

Conclusion

We have been engaged by RSA Insurance Group Limited (the ‘Company’ and ‘Group’) to review the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2026 which comprises the interim condensed consolidated statement of financial position, the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (‘ISRE’) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual consolidated financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of consolidated financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, “Interim Financial Reporting”.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.
This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
04 August 2026