

INTERIM MANAGEMENT REPORT

for the six month period ended 30 June 2025

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 (IFC).

RSA Insurance Group Limited and its subsidiaries (known as the Group or RSA) 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, RSA currently offers predominately commercial lines insurance including specialty commercial lines insurance, as well as personal property and pet insurance, but is in the process of repositioning to become a leading UK commercial and specialty lines insurer.

In 2023, the Group made the decision to exit the UK Personal lines market (Motor, Home and Pet), including the announcement of the sale of its direct Home and Pet operations to Admiral Group plc, which closed on 31 March 2024, and its decision to transfer the Home and Pet partnerships to other parties or to allow them to expire over time.

Also in 2023, the Group entered into an agreement to acquire the commercial lines broker business of Direct Line Insurance Group (the DLG acquisition), increasing its market share in the domestic commercial lines market. The NIG and Farmweb brands were acquired through the DLG acquisition. The operational transfer completed on 1 May 2024 and the transfer of policy renewals and writing of new business started in June and July 2024 respectively.

RSA is also a specialist insurer largely in the London Market, currently distributing through brokers under the RSA brand.

In Ireland, RSA 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, RSA is Ireland's largest commercial wind energy insurer. In Europe, RSA operates within France, Belgium, Netherlands and Spain as a commercial lines insurer distributing under the RSA brand via brokers.

In April 2025 the Group announced the rebrand of RSA, NIG and FarmWeb to Intact Insurance that is occurring in phases through to 31 March 2026. Further information on the rebrand is provided in note 8.2 - Trade names - rebrand.

RSA also provides reinsurance to other companies within the IFC group and has quota share arrangements with Unifund Assurance Company (Unifund) and Belair Insurance Company Inc. (Belair), under which the insurance risk for a proportion of the business of those companies is transferred to the Group. Further information is provided in note 19 - Related party transactions.

Business review

The Group reports a profit before tax of **£80m** for the six month period ended 30 June 2025 (six month period ended 30 June 2024: £150m). Net written premiums¹ for the six month period ended 30 June 2025 are **£1,706m** (six month period ended 30 June 2024: £2,147m) and net assets at 30 June 2025 are **£2,703m** (30 June 2024: £2,767m).

Profit before tax of **£80m** consists of **£120m** underwriting result (six month period ended 30 June 2024: £146m), investment result of **£126m** (six month period ended 30 June 2024: £123m), **£(16)m** of central costs (six month period ended 30 June 2024: £(8)m), and **£(150)m** of other charges (six month period ended 30 June 2024: £(111)m).

The financial results for the six month period ended 30 June 2025 reflect the process of repositioning the UK business to commercial and specialty lines insurance and include **£(79)m** of Integration and restructuring costs (six month period ended 30 June 2024: £(75)m). During the six month period ended 30 June 2024, Other net (losses) gains includes an £85m gain related to the sale of the UK direct Home and Pet operations. Further information is provided in note 14.1 – Components of other net (losses) gains.

Some of these measures are alternative performance measures (APMs). Refer to note 20 - Alternative performance measures for a reconciliation of these measures to the interim condensed consolidated income statement, and to Our Key Performance Indicators (KPIs) below for further information.

The Group paid an interim ordinary dividend of £160m 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 premiums¹ £1,706m (six month period ended 30 June 2024: £2,147m): premiums inception in 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 result¹ £120m (six month period ended 30 June 2024: £146m). 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.

Profit before tax £80m (six month period ended 30 June 2024: £150m): 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 2024 Annual Report and Accounts is provided in the below notes to the interim condensed consolidated financial statements.

¹Net 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 2025 £m	31 December 2024 £m
Assets			
Cash and cash equivalents	4	291	221
Financial assets	4	5,864	5,946
Investment property	4	343	317
Reinsurance contract assets	7	1,286	1,310
Income taxes receivable		1	1
Deferred tax assets		265	275
Property and equipment		106	105
Intangible assets	8	442	492
Goodwill	8	349	349
Other assets	9	249	233
Total assets		9,196	9,249
Liabilities			
Insurance contract liabilities	7	5,833	5,848
Income taxes payable		3	2
Deferred tax liabilities	15	1	2
Debt outstanding	10	126	127
Other liabilities	9	530	503
Total liabilities		6,493	6,482
Equity		2,703	2,767
Total equity and liabilities		9,196	9,249

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

The interim condensed consolidated financial statements were approved on 5 August 2025 by the Board of Directors and are signed on its behalf by:

Karim Hirji
Chief Financial Officer

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

		2025	2024
For the six month period ended 30 June	Note	£m	£m
Insurance revenue	7	1,958	2,186
Insurance service expense	7	(1,610)	(1,825)
Insurance service result from insurance contracts		348	361
Expense from reinsurance contracts	7	(271)	(283)
Income from reinsurance contracts	7	87	101
Net expense from reinsurance contracts		(184)	(182)
Insurance service result		164	179
Net investment income	13	126	123
Net gains (losses) on investment portfolio	13	16	(74)
Net investment return		142	49
Insurance finance expense	13	(81)	(55)
Reinsurance finance income	13	17	21
Net insurance financial result		(64)	(34)
Net investment return and net insurance financial result		78	15
Other net (losses) gains	14	(4)	92
Other income and expense	14	(74)	(56)
Integration and restructuring costs		(79)	(75)
Finance costs		(5)	(5)
Profit before tax		80	150
Income tax expense	15	(3)	(20)
Profit		77	130

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

	2025	2024
For the six month period ended 30 June	£m	£m
Profit	77	130
Items that may be reclassified to the income statement:		
Exchange gains net of tax on translation of foreign operations	1	-
Fair value gains (losses) on FVTOCI assets net of tax	17	(7)
	18	(7)
Items that will not be reclassified to the income statement:		
Pension – remeasurement of defined benefit asset/liability net of tax	1	11
	1	11
Other comprehensive income	19	4
Total comprehensive income	96	134

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

	Ordinary share capital	Ordinary share premium	Preference shares	Fair value reserve	Foreign currency translation reserve	Retained earnings	Equity
For the six month period ended 30 June 2025	£m	£m	£m	£m	£m	£m	£m
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

For the six month period ended 30 June 2024

Balance at 1 January 2024	1,563	1,366	125	(59)	60	(243)	2,812
Total comprehensive income							
Profit	-	-	-	-	-	130	130
Other comprehensive income (expense)	-	-	-	(7)	-	11	4
Transfers	-	-	-	(6)	-	6	-
	-	-	-	(13)	-	147	134
Transactions with owners of the Group							
Contribution and distribution							
Preference share dividends	-	-	-	-	-	(5)	(5)
	-	-	-	-	-	(5)	(5)
Balance at 30 June 2024	1,563	1,366	125	(72)	60	(101)	2,941

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	2025 £m	2024 £m
Operating activities			
Profit before tax		80	150
Income tax paid		(4)	(3)
Adjustments for non-cash items	18	36	24
Changes in other operating assets and liabilities	18	(17)	134
Net cash flows provided by operating activities		95	305
Investing activities			
Proceeds from sale of businesses	14	-	87
Proceeds from sale of investments		2,187	2,299
Purchase of investments		(2,009)	(2,346)
Purchase of intangibles and property and equipment		(37)	(49)
Net cash flows provided by (used in) investing activities		141	(9)
Financing activities			
Payment of lease liabilities		(6)	(5)
Payment of dividends on ordinary shares		(160)	-
Payment of dividends on preferred shares		-	(5)
Net cash flows used in financing activities		(166)	(10)
Net increase in cash and cash equivalents		70	286
Cash and cash equivalents at beginning of the period		221	312
Effect of exchange rate changes on cash and cash equivalents		-	(1)
Cash and cash equivalents at end of the period	18	291	597

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 IFC. Its parent is 2283485 Alberta Limited (a Canadian incorporated company), a wholly owned subsidiary of IFC, 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 2024. 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 2024 were approved by the board of directors on 4 March 2025 and delivered to the Registrar of Companies. The independent auditor's report on the Group accounts for the year ended 31 December 2024 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 5 August 2025.

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 2024, 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 IFC. 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 the risk appetite is aligned to the available capital. 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 2025	31 December 2024	30 June 2025	30 June 2024
EUR	1.17	1.21	1.19	1.17
CAD	1.87	1.80	1.83	1.72
USD	1.37	1.25	1.30	1.26

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 2024 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 2025 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 2024.

4. Investments

4.1 Classification of investments

	FVTPL			FVTOCI	Amortised Cost	Total carrying amount
	Designated as FVTPL	Classified as FVTPL	Measured at FVTPL			
As at 30 June 2025	£m	£m	£m	£m	£m	£m
Cash and cash equivalents	-	-	-	-	291	291
Debt & fixed income securities	2,119	198	-	2,777	-	5,094
Equity securities	-	524	-	-	-	524
Loans	-	-	-	-	246	246
Investment property	-	-	343	-	-	343
	2,119	722	343	2,777	537	6,498

As at 31 December 2024

Cash and cash equivalents	-	-	-	-	221	221
Debt & fixed income securities	1,969	302	-	2,891	-	5,162
Equity securities	-	501	-	-	-	501
Loans	-	-	-	-	283	283
Investment property	-	-	317	-	-	317
Total	1,969	803	317	2,891	504	6,484

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
	Carrying amount	Cost/amortised cost	Unrealised gains	Unrealised losses	Carrying amount	Carrying amount
As at 30 June 2025	£m	£m	£m	£m	£m	£m
Cash and cash equivalents	-	291	-	-	291	291
Debt & fixed income securities	2,317	2,899	23	(145)	2,777	5,094
Equity securities	524	-	-	-	-	524
Loans	-	246	-	-	246	246
Investment property	343	-	-	-	-	343
	3,184	3,436	23	(145)	3,314	6,498

As at 31 December 2024

Cash and cash equivalents	-	221	-	-	221	221
Debt & fixed income securities	2,271	2,994	11	(114)	2,891	5,162
Equity securities	501	-	-	-	-	501
Loans	-	283	-	-	283	283
Investment property	317	-	-	-	-	317
	3,089	3,498	11	(114)	3,395	6,484

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 2025			31 December 2024		
		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	194	-	3	143	2	-
		194	-	3	143	2	-
Not designated for hedge accounting							
	Currency forwards	226	5	-	330	1	4
	Equity swaps	62	-	-	-	-	-
	Cross currency interest swaps	-	-	-	1	-	-
	Inflation swaps	120	30	12	120	30	10
		408	35	12	451	31	14
		602	35	15	594	33	14

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:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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
- 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

	Level 1	Level 2	Level 3	Total
As at 30 June 2025	£m	£m	£m	£m
Debt & fixed income securities	977	3,920	197	5,094
Equity securities	476	-	48	524
Investment Property	-	-	343	343
Derivative assets	-	35	-	35
Total assets measured at fair value	1,453	3,955	588	5,996
Derivative liabilities	-	15	-	15
Total liabilities measured at fair value	-	15	-	15

	Level 1	Level 2	Level 3	Total
As at 31 December 2024	£m	£m	£m	£m
Debt & fixed income securities	1,060	3,800	302	5,162
Equity securities	452	-	49	501
Investment Property	-	-	317	317
Derivative assets	-	33	-	33
Total assets measured at fair value	1,512	3,833	668	6,013
Derivative liabilities	-	14	-	14
Total liabilities measured at fair value	-	14	-	14

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

	Classified as FVTPL		Measured as FVTPL	Total
	Debt & fixed income securities	Equity securities	Investment property	
For the six month period ended 30 June 2025	£m	£m	£m	£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

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

	Classified as FVTPL		Measured as FVTPL	Total
	Debt & fixed income securities	Equity securities	Investment property	
For the six month period ended 30 June 2024	£m	£m	£m	£m
Balance, beginning of period	314	69	285	668
Gains / (losses) ¹	1	-	(4)	(3)
Purchases	50	-	17	67
Disposals	(48)	(5)	(4)	(57)
Exchange adjustment	(2)	-	-	(2)
Balance, end of period	315	64	294	673

¹Includes £3m of losses in relation to securities and property recognised on the Interim condensed consolidated statement of financial position at 30 June 2024. These gains are recognised in the Net gains (losses) on investment portfolio line in the Interim condensed consolidated income statement.

6.3 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			
		2025		2024	
		Current fair value	Decrease in fair value	Current fair value	Decrease in fair value
Financial assets and investment property	Main assumptions	£m	£m	£m	£m
Level 3 FVTPL financial assets					
Equity securities	Cash flows; discount rate	48	(1)	49	(1)
Debt & fixed income securities	Cash flows; discount rate	197	(4)	302	(5)
Investment property	Cash flows; discount rate	343	(25)	317	(22)
Total		588	(30)	668	(28)

¹The 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 2024: 50bps). Reasonably possible alternative assumptions for investment property have been determined using an increase of 50bps in the equivalent yield (31 December 2024: 50bps).

7. Insurance and reinsurance contracts

7.1 Insurance revenue

	2025	2024
For the six month period ended 30 June	£m	£m
Contracts measured under PAA	1,991	2,147
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	(32)	38
Total insurance revenue	1,958	2,186

7.2 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

	2025			2024		
	LRC	LIC	Total	LRC	LIC	Total
For the six month period ended 30 June	£m	£m	£m	£m	£m	£m
Insurance contract liabilities, beginning of period	(371)	(5,477)	(5,848)	(440)	(5,530)	(5,970)
Changes in comprehensive income:						
Insurance revenue	1,958	-	1,958	2,186	-	2,186
Incurred claims and other insurance service expense	33	(1,382)	(1,349)	19	(1,556)	(1,537)
Amortisation of insurance acquisition cash flows	(375)	-	(375)	(365)	-	(365)
Losses and reversals on onerous contracts	-	-	-	(20)	-	(20)
Adjustments to liabilities for incurred claims	-	114	114	-	97	97
Insurance service expense	(342)	(1,268)	(1,610)	(366)	(1,459)	(1,825)
Insurance service result from insurance contracts	1,616	(1,268)	348	1,820	(1,459)	361
Insurance finance expense	13	(94)	(81)	5	(60)	(55)
Exchange rate differences	(2)	(3)	(5)	1	7	8
Total changes in comprehensive income	1,627	(1,365)	262	1,826	(1,512)	314
Cash flows						
Premium received	(1,972)	-	(1,972)	(2,218)	-	(2,218)
Claims and other insurance service expense paid	-	1,337	1,337	-	1,520	1,520
Insurance acquisition cash flows	388	-	388	381	-	381
Total cash flows	(1,584)	1,337	(247)	(1,837)	1,520	(317)
Insurance contract liabilities, end of period	(328)	(5,505)	(5,833)	(451)	(5,522)	(5,973)

Reinsurance contracts analysis by remaining coverage and incurred claims

	2025			2024		
	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	(3)	1,313	1,310	(16)	1,772	1,756
Changes in comprehensive income:						
Expense from reinsurance contracts	(271)	-	(271)	(283)	-	(283)
Amounts recoverable for incurred claims and other expenses	-	87	87	-	107	107
Adjustments to assets for incurred claims	-	-	-	-	(7)	(7)
Changes in non-performance risk of reinsurers	-	-	-	-	1	1
Income from reinsurance contracts	-	87	87	-	101	101
Net expense from reinsurance contracts	(271)	87	(184)	(283)	101	(182)
Reinsurance finance income	(1)	18	17	(1)	22	21
Exchange rate differences	(2)	2	-	-	(4)	(4)
Total changes in comprehensive income	(274)	107	(167)	(284)	119	(165)
Cash flows						
Premium paid	313	-	313	294	-	294
Amounts received	-	(170)	(170)	-	(317)	(317)
Total cash flows	313	(170)	143	294	(317)	(23)
Reinsurance contract assets, end of period	36	1,250	1,286	(6)	1,574	1,568

7.3 Reconciliation of the liability for incurred claims to undiscounted value

	30 June 2025			31 December 2024		
	Direct	Ceded	Net	Direct	Ceded	net
As at	£m	£m	£m	£m	£m	£m
Undiscounted value	(5,220)	1,135	(4,085)	(5,320)	1,179	(4,141)
Effect of time value of money	356	(75)	281	386	(90)	296
Undiscounted risk adjustment	(186)	42	(144)	(201)	43	(158)
Periodic payment orders ¹	(262)	118	(144)	(250)	117	(133)
Liability for incurred claims before net payables and claims reported under the GMM	(5,312)	1,220	(4,092)	(5,385)	1,249	(4,136)
Net payables included in incurred claims	(193)	31	(162)	(206)	66	(140)
Reclass of claims reported under the GMM	-	(1)	(1)	116	(2)	114
Liability for incurred claims	(5,505)	1,250	(4,255)	(5,475)	1,313	(4,162)

¹The net periodic payment orders are net of the discount and risk adjustment of £197m as at 30 June 2025 (£199m as at 31 December 2024).

7.4 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 2024 for more details.

	30 June 2025				31 December 2024			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
GBP	4.3%	4.4%	4.6%	5.2%	4.9%	4.8%	4.9%	5.3%
EUR	2.2%	2.5%	2.9%	3.5%	2.6%	2.8%	3.0%	3.3%
CAD	3.0%	3.3%	3.6%	4.1%	3.3%	3.5%	3.7%	4.1%
USD	4.3%	4.2%	4.4%	4.9%	4.6%	4.7%	4.9%	5.2%
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

	30 June 2025	31 December 2024
As at	£m	£m
Goodwill	349	349
Internally generated software	259	293
Trade names	16	26
Distribution networks	167	173
	791	841

8.2 Trade names - rebrand

In April 2025, the Group announced the rebrand of RSA, NIG and FarmWeb to Intact Insurance that is occurring in phases through to 31 March 2026. As a result, the Group reviewed prospectively the useful life of trade names related to the DLG acquisition. These trade names are expected to be fully amortised over the next nine months from the balance sheet date.

For the six month period ended 30 June 2025, the Group recorded accelerated amortisation of £5m and integration costs of £4m relating to the rebrand. These costs are recognised in Integration and restructuring costs.

9. Other assets and liabilities

9.1. Other assets

	30 June 2025	31 December 2024
As at	£m	£m
Financial assets related to investments	60	61
Other debtors	39	45
Pension plans in a surplus position (note 16)	28	25
Accrued interest and rent	68	65
Prepayments	54	37
	249	233

Financial assets related to investments		
Amounts receivable from investment brokers on unsettled trades	15	25
Amounts receivable related to investment properties	7	-
Derivative financial assets (note 5.1)	35	33
Collateral assets	3	3
	60	61

9.2. Other liabilities

	30 June 2025	31 December 2024
As at	£m	£m
Financial liabilities related to investments	232	179
Other creditors	29	39
Accruals	158	162
Deferred income	2	1
Lease liabilities	71	72
Pension plans in a deficit position and unfunded plans (note 16)	11	11
Provisions	27	39
	530	503

Financial liabilities related to investments		
Accounts payable to investment brokers on unsettled trades	83	28
Derivative financial liabilities (note 5.1)	15	14
Collateral liabilities	24	22
Equities sold short position	110	115
	232	179

10. Debt outstanding

	Maturity date	Initial term (years)	Fixed rate %	Coupon payment	Principal amount	Amortised cost	
						30 June 2025	31 December 2024
As at						£m	£m
GBP notes	Oct-45	31	5.13	Oct.	£120m	120	120
US bonds	Oct-29	30	8.95	Apr. & Oct.	\$9m	6	7
						126	127

The dated guaranteed subordinated GBP notes were issued on 10 October 2014 at a fixed rate of 5.125%. The notes, with a remaining nominal value of £120m, have a maturity date of 10 October 2045. The Group has the right to redeem the notes in whole on specific dates from 10 October 2025 at a redemption price equal to the principal amount, together with accrued and unpaid interest. If the notes are not repaid on that date, the rate of interest will be reset to 3.852% plus the appropriate benchmark gilt for a further five year period.

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 and the notes 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 and notes but has to date not exercised this right.

There have been no defaults on any bonds or notes 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	2025		2024	
	Number	£m	Number	£m
Ordinary shares of £1 each	1,563,286,980	1,563	1,563,286,979	1,563
Preference shares of £1 each	-	-	125,000,000	125
	1,563,286,980	1,563	1,688,286,979	1,688

The movements during the period of ordinary shares in issue, nominal value and share premium are as follows:

	Number of shares	Nominal value £m	Share premium £m
At 1 January 2025	1,563,286,980	1,563	-
At 30 June 2025	1,563,286,980	1,563	-

	Number of shares	Nominal value £m	Share premium £m
At 1 January 2024	1,563,286,979	1,563	1,366
At 30 June 2024	1,563,286,979	1,563	1,366

The Company's preferred shares were cancelled following shareholder approval on 16 July 2024. Refer to note 17 - Share capital of the 2024 Annual Report and Accounts for further details.

12. Distributions declared and paid

	2025	2024
For the six month period ended 30 June	£m	£m
Ordinary dividend	160	-
Preference dividend	-	5
	160	5

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

Prior to the preference share redemption, the Group's preference shareholders received a dividend at the rate of 7.375% per annum paid in two installments on, or as near as practicably possible to, 1 April and 1 October each year, subject to approval of the board. See note 11 – Share capital for further detail on the preference share redemption.

13. Net investment return and net insurance financial result

13.1 Net investment return and net insurance financial result

	2025	2024
For the six month period ended 30 June	£m	£m
Net investment income	126	123
Net gains (losses) on investment portfolio	16	(74)
Net investment return	142	49
Net insurance financial result	(64)	(34)
Net investment return and net insurance financial results	78	15

13.2 Net investment income

	2025	2024
For the six month period ended 30 June	£m	£m
Interest income calculated using the effective interest method:		
Debt securities classified as FVTOCI	53	53
Loans and cash and cash equivalents at amortised cost	11	15
Interest and similar income on securities classified or designated as FVTPL	51	45
Interest income	115	113
Dividend income on FVTPL equity securities	8	5
Investment property rental income	9	10
Investment income	132	128
Investment expense	(6)	(5)
Net investment income	126	123

13.3 Net gains (losses) on investment portfolio

	2025			2024		
	Fixed income	Equity and property	Total	Fixed income	Equity and property	Total
For the six month period ended 30 June	£m	£m	£m	£m	£m	£m
Financial instruments:						
Classified as FVTOCI	1	-	1	(14)	-	(14)
Classified or designated as FVTPL	13	21	34	(27)	3	(24)
	14	21	35	(41)	3	(38)
Derivatives ¹	1	(2)	(1)	-	(1)	(1)
Investment property	-	5	5	-	(4)	(4)
Net foreign currency losses	(23)	-	(23)	(45)	-	(45)
	(8)	24	16	(86)	(2)	(88)

¹Excluding 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

	2025	2024
	£m	£m
For the six month period ended 30 June		
Change in the carrying amount of insurance contracts due to:		
Unwind of discount	(107)	(113)
Changes in discount rates and other financial assumptions	(21)	21
Net foreign currency gains	47	37
Insurance finance expense	(81)	(55)
Change in the carrying amount of reinsurance contracts due to:		
Unwind of discount	25	33
Changes in discount rates and other financial assumptions	6	(6)
Net foreign currency losses	(14)	(6)
Reinsurance finance income	17	21
Net insurance financial result	(64)	(34)

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

14.1 Components of other net (losses) gains

	2025	2024
	£m	£m
For the six month period ended 30 June		
Gain on disposal of business ¹	-	87
Other net foreign currency (losses) gains	(4)	2
Other ²	-	3
	(4)	92

¹£85m related to the sale of the UK direct Home and Pet operations completed on 31 March 2024. Further information is provided in note 5.2 - Disposals completed in 2024 of the Group's annual consolidated financial statements for the year ended 31 December 2024.

²£3m represents the release of non-payable contingent consideration in respect of the 2023 DLG acquisition.

14.2 Other income and other expense

	2025	2024
	£m	£m
For the six month period ended 30 June		
Other income ¹	-	1
Other expense ²	(74)	(57)
	(74)	(56)

¹Includes pension interest income

²Includes 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

	2025	2024
For the six month period ended 30 June	£m	£m
Current income tax expense	18	34
Deferred income tax credit	(15)	(14)
Total tax charge to income statement	3	20

15.2 Effective income tax rate

For the six month period ended 30 June	2025	2024
Statutory tax rates	25.0%	25.0%
(Decrease) increase in income tax rates resulting from:		
Non-taxable investment income	(3.1)%	(0.6)%
Non-deductible expenses	2.1%	1.4%
Recognition of prior year deferred tax assets	(16.8)%	(9.5)%
Utilisation of unrecognised deferred tax assets	(2.1)%	(1.6)%
Different tax rates of subsidiaries operating in other jurisdictions	(3.1)%	(1.0)%
Other	1.8%	(0.5)%
Effective income tax rate	3.8%	13.2%

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 2025			31 December 2024		
	UK £m	Other ¹ £m	Total £m	UK £m	Other £m	Total £m
As at						
Defined benefit obligation (funded)	(4,806)	(59)	(4,865)	(4,895)	(54)	(4,949)
Defined benefit obligation (unfunded)	(3)	-	(3)	(3)	-	(3)
Fair value of plan assets	4,807	80	4,887	4,898	70	4,968
	(2)	21	19	-	16	16
Other net surplus remeasurements	(2)	-	(2)	(2)	-	(2)
Net DB asset (liability)	(4)	21	17	(2)	16	14
Recognised in:						
Other assets - plans in a surplus position	7	21	28	9	16	25
Other liabilities - plans in a deficit position and unfunded plans	(11)	-	(11)	(11)	-	(11)
	(4)	21	17	(2)	16	14

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

	2025	2024
As at 30 June	£m	£m
Net interest expense:		
Interest expense on DB obligation	(132)	(123)
Interest income on plan assets	132	124
Other	(5)	(6)
	(5)	(5)

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

As at 30 June	2025 £m	2024 £m
Changes in discount rate used to determine the benefit obligation	43	423
Actual return on plan assets	(67)	(318)
Plan experience and change in other financial assumptions ¹	24	(109)
Other net surplus remeasurements	-	(3)
	-	(7)

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 2024.

The weighted average principal actuarial assumptions used are:

	UK		Other	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	%	%	%	%
Assumptions used in calculation of retirement benefit obligations:				
Discount rate	5.51	5.46	4.20	3.75
Annual rate of inflation (RPI)	2.92	3.18	-	-
Annual rate of inflation (CPI)	2.39	2.63	2.25	2.20
Annual rate of increase in pensions	2.82	3.01	2.25	2.20
Assumptions used in calculation of pension net interest costs for the year:				
Discount rate	5.46	4.54	3.75	3.55

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 and, during 2025, were engaged in providing personal and commercial general insurance services. During 2023, the Group announced its exit from the UK Personal lines general insurance market. This forms part of the UK operating segment. Refer to note 5 - Business combinations and disposals in the Group's annual consolidated financial statements for the year ended 31 December 2024 for further information on this transaction. International comprises operating segments based in Ireland and Europe. Central Functions includes the Group's internal reinsurance function, which includes reinsurance with the wider IFC 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

	UK	International	Central Functions	Total
	£m	£m	£m	£m
For the six month period ended 30 June 2025				
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 gains				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
	UK	International	Central Functions	Total
	£m	£m	£m	£m
For the six month period ended 30 June 2024				
Net written premiums (management basis note 20)	1,236	299	612	2,147
Underwriting result (note 20) ^{1,2}	39	52	55	146
Net investment income (note 13)				123
Central costs and other activities (note 20)				(8)
Business operating result (management basis)				261
Realised losses				(15)
Net insurance finance result, foreign exchange and gains (losses) on investments				(91)
Finance costs				(5)
Amortisation of intangible assets ¹				(9)
Pension net interest and administration costs (note 16)				(6)
Integration and restructuring costs ¹				(75)
Profit on disposal of business and other gains				90
Profit before tax				150
Tax on operations (note 15)				(20)
Profit				130

¹ Total amortisation expense is **£70m** (2024: £69m). This relates to the UK segment (2025: **£68m**; 2024: £66m) and the International segment (2025: **£2m**; 2024: £2m). The expense has been charged to Underwriting result (2025: **£24m**; 2024: £28m), Integration and restructuring costs (2025: **£37m**; 2024: £32m), and Amortisation of intangible assets (2025: **£9m**; 2024: £9m).

² Depreciation expense of **£5m** (2024: £6m) relates to the UK segment (2025: **£4m**; 2024: £5m) and the International segment (2025: **£1m**; 2024: £1m). The expense has been charged to Underwriting result.

17.3 Selected segment assets and liabilities

	UK £m	International £m	Central Functions £m	Total £m
As at 30 June 2025				
Investments (note 4)	5,555	309	-	5,864
Net liability for incurred claims ¹	(2,661)	(991)	(440)	(4,092)
As at 31 December 2024				
Investments (note 4)	5,652	294	-	5,946
Net liability for incurred claims ¹	(2,686)	(939)	(511)	(4,136)

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

	2025 £m	2024 £m
For the six month period ended 30 June		
Adjustments for non-cash items		
Net losses on investment portfolio	(35)	42
Depreciation and impairment of property and equipment	10	11
Amortisation and impairment of intangible assets	70	69
Amortisation of investments	(15)	(14)
Pension net interest and admin costs (note 16)	5	5
Gain on disposal of business	-	(90)
Derecognition and disposal of intangibles	12	3
Foreign exchange gain	(9)	(1)
Other	(2)	(1)
	36	24
Changes in other operating assets/liabilities		
Contributions to the defined benefit pension plans	(8)	(39)
Changes in insurance and reinsurance contracts	37	227
Other operating assets	(32)	(35)
Other operating liabilities	(14)	(19)
	(17)	134
Other relevant cash flow disclosures - operating activities		
Interest paid	(2)	(2)
Interest received	110	97
Dividends received	8	5
	116	100

18.2 Composition of cash and cash equivalents

	2025 £m	2024 £m
As at 30 June		
Composition of cash and cash equivalents		
Cash	217	227
Cash equivalents	74	370
Cash and cash equivalents	291	597

19. Related party transactions

19.1 Transactions with parent company

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

During the six month period to 30 June 2025, the Group paid an ordinary dividend of £160m on 17 June to 2283485 Alberta Limited. During the six month period to 30 June 2024 there were no related party transactions with 2283485 Alberta Limited.

19.2 Other related party transactions

The Group has a reinsurance arrangement with Unifund, a member of the IFC Group. Under the terms of the arrangement the insurance risk of the proportion of Unifund'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 60% of Unifund's existing insurance liabilities. No new business has been ceded after 31 December 2024. The Group also has a reinsurance arrangement with Belair, also a member of the IFC group. 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 unexpired insurance business at 1 January 2024 and new written premiums for all lines of 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 Unifund and Belair quota shares.

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 IFC 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:

	2025	2024
For the six month period ended 30 June	£m	£m
Income (expenses) recognised in:		
Insurance revenue	280	413
Insurance service expenses	(242)	(363)
Income from reinsurance contracts	5	7
Expenses from reinsurance contracts	(19)	(24)
Net investment 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:

	30 June 2025	31 December 2024
As at	£m	£m
Assets and liabilities recognised in:		
Debt and fixed income securities	839	942
Equity securities	-	7
Reinsurance contract assets	33	32
Other assets	6	7
Insurance contract liabilities	(880)	(996)
Other liabilities	(30)	(26)

20. Alternative Performance Measures

IFRS reconciliation to management P&L

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 contracts	348						
Expense 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 gains 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)
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

For the six month period ended 30 June 2024

£m	IFRS	Underwriting result	Investment result	Central costs	Business operating result	Other income and charges	Profit before tax
Insurance revenue	2,186	2,186			2,186		2,186
Insurance service expense	(1,825)	(1,825)			(1,825)		(1,825)
Insurance service result from insurance contracts	361						
Expenses from reinsurance contracts	(283)	(283)			(283)		(283)
Income from reinsurance contracts	101	101			101		101
Net expense from reinsurance contracts	(182)						
Insurance service result	179						
Net investment income	123		123		123		123
Net losses on investment portfolio	(74)					(74)	(74)
Net investment return	49						
Insurance finance expense	(55)					(55)	(55)
Reinsurance finance income	21					21	21
Net insurance financial result	(34)						
Net investment return and net insurance financial result	15						
Other net gains	92					92	92
Other income and expense	(56)	(33)		(8)	(41)	(15)	(56)
Integration and restructuring costs	(75)					(75)	(75)
Other finance costs	(5)					(5)	(5)
Profit before tax	150	146	123	(8)	261	(111)	150
Income tax expense	(20)						
Profit	130						

Reconciliation of Insurance revenue to Net written premiums

For the six month period ended 30 June 2024

	£m
Insurance revenue	2,186
Movement in gross earned premium	365
Other income	(5)
Reinsurance written premiums	(461)
Revenue for internal contracts	101
Revenue measured under GMM	(39)
Net written premiums (note 17)	2,147

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
Chief Financial Officer

5 August 2025

Ken Norgrove
Chief Executive Officer

5 August 2025

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

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 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 financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 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 financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of 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 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.