

Acromas Insurance Company Limited

Solvency and Financial Condition Report

31 December 2025

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Introduction

This Solvency and Financial Condition Report has been prepared in accordance with Solvency 2 regulatory requirements. Solvency 2 is the solvency framework implemented on 1 January 2016 as the capital regime for insurance companies within the European Union. Whilst the UK and Gibraltar have left the European Union, both continue with the Solvency 2 framework. This report has been prepared in accordance with Regulations 56A to 56E of the Gibraltar Financial Services (Insurance Companies) Regulations 2020 ('The Regulations').

The structure of the report is also in accordance with Regulations 51A of the Financial Services (Insurance Supervisory Reporting) (Technical Standards) Regulations 2025.

This document reports on the position of Acromas Insurance Company Limited ("AICL") as of 31 December 2025.

During the year, as part of a 20 year insurance partnership between Saga and Ageas, AICL was sold by Saga plc to Ageas. The sale completed on 1 July 2025. Following the sale AICL changed its financial year end from 31 January to 31 December. As such ***numbers in this report that refer to the 2025 financial year cover 11 months to end December 2025.***

The production of the report included contribution and challenge from across the business including the AICL Finance, Actuarial, Pricing and Underwriting functions, the second-line Risk function, Internal Audit and the Company Secretarial function.

The AICL Board approved the SFCR on 8 April 2026, noting its responsibility to ensure this report has been properly prepared in all material respects in accordance with the Insurance Companies Regulations, and confirms that:

(a) throughout the financial year in question, the insurer has complied in all material respects with all relevant legal requirements; and

(b) it is reasonable to believe that, at the date of the publication of the SFCR, the insurer has continued so to comply, and will continue so to comply in future.

The main sections of this report are as follows:

- A. Business and Performance
- B. System of Governance
- C. Risk Profile
- D. Valuation for Solvency Purposes
- E. Capital Management

A summary of each section is set out below.

Summary

1. Business and Performance

AICL is a Gibraltar regulated insurance company which underwrites business introduced by intermediaries within the Saga plc group, the AA Limited and RAC Motoring Services (the RAC).

AICL core activities are the underwriting and pricing of personal lines insurance products and the settlement of claims arising from underwriting. It supplies products on a wholesale premium basis to its distribution partners, who are then responsible for setting the retail prices in compliance with all regulatory requirements. AICL's reported premiums therefore cover the expected cost of claims, reinsurance, expenses, levies and a profit margin.

AICL's gross written premium in the 2025 financial year was predominantly from contracts written in the United Kingdom, with small exposures in the Channel Islands and the Isle of Man for add-on products only.

In addition to pricing and underwriting, over 2025 AICL undertook financial planning and reporting, reinsurance and capacity management, investment management including oversight of investment managers, reserving and capital management and reporting and the arrangement and monitoring of its distribution and claims handling parties. All other activities were outsourced, including most claims handling activities. From 1 December 2025, AICL staff TUPE transferred into Ageas with all activities outsourced from that date.

AICL's key financial information for the year ended 31 December 2025 is summarised below:

Year ended. Amounts in £'million	31 December 2025 (11 months)	31 January 2025
Gross Written Premiums	123.5	158.9
Net Earned Technical Income (before quota share reinsurance)	122.9	171.5
Profit before Taxation (net of quota share reinsurance)	23.4	5.8
Current Year Combined Ratio (excluding investment return)	84.6%	105.8%
Solvency Capital Requirement (SCR)	41.9	45.3
Own Funds	94.0	93.8
SCR Coverage Ratio	224%	207%
MCR	18.8	18.0
MCR Coverage Ratio	496%	521%

Section A provides further information on AICL's business and its performance.

2. System of Governance

AICL has a robust corporate governance structure comprising the following elements:

- The Board of Directors
- The Board Sub-committee
- Audit, Risk and other governance committees
- Executive Management
- Second & third-line oversight from the Ageas Chief Risk Officer (CRO) Function and Ageas Internal Audit Function

AICL uses the “Three Lines of Defence” model to manage risk. Section B provides further detail on how the system of governance works in practice.

3. Risk Profile

The table below shows the profile of the Solvency Capital Requirement as at 31 December 2025 (and prior year end) split into the main risk modules:

Risk Category	31 December 2025	31 January 2025
Non-Life Underwriting Risk	62%	55%
Market Risk	30%	29%
Counterparty Default Risk	16%	21%
Life Underwriting Risk	3%	2%
Diversification Benefit	(26%)	(26%)
Operational Risk	16%	19%
Deferred Tax Adjustment	-	-
Solvency Capital Requirement (SCR)	100%	100%

The table highlights AICL’s two largest risks as being non-life underwriting risk and market risk.

Over the year, non-life underwriting risk and market risk percentage of the SCR have increased . This primarily reflects reduction in counterparty default risk in absolute term as a result of lower intermediary premium debtor risk.

AICL manages underwriting risk through its policies on underwriting, pricing, reserving and reinsurance. Any breaches of the policies are reported to the Audit, Risk and Compliance Committee (ARCC) or the Pricing, Product and Customer Committee (PPACC) as appropriate.

More than 80% of AICL’s gross premium income and 90% of its gross technical provisions relate to motor insurance. Underwriting and pricing risk is assessed and managed by a suite of management information reports and technical analysis, with pricing levels reviewed monthly, approved at the PPACC and ratified by the AICL Board Sub-committee.

Underwriting risk is further mitigated by reinsurance, with both proportional and excess of loss covers in place over 2025.

Reserve risk is managed by monthly reviews of claims experience and claim projections. The monthly projections are approved by the Chief Actuary. In addition, reserves are reviewed by independent external actuaries and independent auditors as part of the year-end financial reporting process.

Both stress scenario and statistical analysis of reserve variability are carried out on a half-yearly basis. The level of reserves and reserve margin is reviewed and approved by the Reserving Committee, the ARCC and the AICL Board.

Market risk is managed by the AICL Finance Director in line with the AICL Investment Policy, and its operation is overseen by the Investment Committee which in turn reports to the AICL Board.

The risk landscape continued to evolve over 2025 with reducing inflationary impacts, albeit with continued uncertainty in economic and geo-political environments and material developments in this space in 2026 with the Iran conflict. Further commentary is included throughout this report.

Section C provides further information on AICL's approach to risk assessment and management as they apply to the risk categories of the Solvency Capital Requirement.

4. Valuation for Solvency Purposes

The tables below show the excess value of assets over liabilities on both the Solvency 2 and statutory bases as of 31 December 2025 as well as the prior year end:

Solvency 2 (£'million)	31 December 2025	31 January 2025
Value of assets	408.8	499.1
Value of liabilities	314.8	405.3
Excess of assets over liabilities	94.0	93.8

Statutory Accounts (£'million)	31 December 2025	31 January 2025
Value of assets	401.3	446.7
Value of liabilities	312.9	370.2
Excess of assets over liabilities	88.4	76.5

See section D for an explanation of the main differences between the Solvency 2 and Statutory Accounts valuation of assets and liabilities.

5. Capital Management

AICL has a Board-approved Capital Management Policy. It aims to operate with sufficient own funds such that a specified margin above the Solvency Capital Requirement (SCR) ratio is always maintained. Forecasts of the Company's solvency position are updated and reviewed regularly as part of the Own Risk and Solvency Assessment (ORSA) process.

To maintain the margin above the SCR at an appropriate level, surplus own funds can be distributed to the shareholder via dividend payments if all criteria in the Capital Management Policy are met, subject to Board approval and Gibraltar Financial Services Commission (GFSC) no objection.

The SCR, Minimum Capital Requirement (MCR), Own Funds and coverage ratios as at 31 December 2025 (and prior year end, 31 January 2025) are shown in the table below:

Year ended Amounts in £'million	31 December 2025	31 January 2025
Solvency Capital Requirement	41.9	45.3
Own Funds	94.0	93.8
SCR Coverage Ratio	224%	207%
MCR	18.8	18.0
MCR Coverage Ratio	496%	521%

A. Business and Performance

A.1 Business

A.1.1 Name and legal form of the undertaking.

Company name: Acromas Insurance Company Limited
Registered Offices: 57-63 Line Wall Road
Gibraltar
Company Number: 88716

Legal form: Insurance company limited by shares.

A.1.2 Name and contact details of the supervisory authority responsible for financial supervision of the undertaking and the group to which the undertaking belongs.

AICL is regulated by the Gibraltar Financial Services Commission (GFSC). AICL's ultimate parent company ageas SA/NV is an insurance holding company.

Gibraltar Financial Services Commission
PO Box 940
Suite 3, Ground Floor
Atlantic Suites
Europort Avenue
Gibraltar

A.1.3 Name and contact details of the external auditor of the undertaking.

AICL is externally audited by:

KPMG Limited
3B, Leisure Island Business Centre
Ocean Village
Gibraltar

A.1.4 Holders of qualifying holdings in the undertaking

AICL is a wholly owned subsidiary of Ageas (UK) Limited. Ageas (UK) Limited and all of its subsidiaries are collectively known as Ageas (UK) which itself is a wholly owned subsidiary of Ageas Insurance International NV, which is a wholly owned subsidiary of ageas SA/NV (the ultimate holding company), which is a public limited company listed on the Euronext, Belgium.

A.1.5 The legal structure of the group

The Ageas company structure chart is shown in section G.1.

A.1.6 Material lines of business and material geographical areas

AICL's core activities are the underwriting and pricing of personal lines insurance products. Products are supplied on a wholesale premium basis to AICL's distribution partners, who then set the retail prices. AICL's reported premiums therefore cover the expected cost of claims, reinsurance, expenses, levies, and profit margin.

AICL's gross written premium in the 2025 financial year was predominately from contracts written in the United Kingdom, with small exposures in the Channel Islands and the Isle of Man for add-on products only.

In addition to pricing and underwriting, over 2025 AICL undertook financial planning and reporting, reinsurance and capacity management, investment management including oversight of investment managers, reserving, capital management and reporting, and the arrangement and monitoring of its distribution and claims handling parties. All other activities were carried out on an outsourced basis, including most claims handling activities. Handling of motor and home insurance claims on behalf of AICL is primarily undertaken by Ageas Retail Limited (ARL), a sister company within the Ageas Group. Claims are handled by the Claims colleagues who transferred into ARL when AICL was sold to Ageas. From 1 December 2025, AICL staff TUPE transferred into Ageas and all activities were outsourced from that date.

AICL distributes its products through companies in the Saga plc Group, the AA and the RAC. By far the largest portion of AICL's written premium is Saga branded motor insurance business.

AICL ensures it discharges its regulatory obligations in relation to its outsourced activities through its contracts, its management of third parties and its review of their conduct against agreed service levels.

The table below shows AICL's 2023/24, 2024/25 and 11 months to December 2025 written premium by high level product group.

	Classification in Statutory Accounts	Gross Written Premiums £ million		
		11 months to Dec 25	2024/25	2023/24
Motor insurance and ancillaries	Direct Motor	98.8	134.2	164.7
Breakdown products	Direct Assistance	23.3	21.0	20.5
Home Legal	Other	0	0.6	1.1
Pet insurance	Misc Financial Loss	0.4	0.9	1.0
Home and ancillaries	Other	0	2.0	1.0
Caravan insurance	Other	(0.0)	0.3	0.9
Other insurances	Misc Financial Loss	0.9	0.0	0.0
Total		123.5	158.9	189.4

For the 11 months to December 2025, 80% of written premium related to motor insurance and ancillaries, 19% to breakdown insurance and ancillaries and the remaining 1% related to pet and other minor classes.

A.1.7 Significant business events that have occurred over the reporting period that have had a material impact on the undertaking.

AICL Ownership:

On 1 July 2025 the sale of AICL and TUPE transfer of Claims colleagues from Saga to Ageas completed. The event was the first step in a 20-year motor and home insurance partnership between Ageas and Saga. On 1st December 2025, AICL colleagues were TUPE transferred into Ageas.

The sale of AICL to Ageas will result in the gradual wind down of the AICL entity over the next few years. This wind down reflects Ageas UK requirement for only one underwriter in its UK group.

Underwriting Performance:

Across 2025 AICL delivered a strong underwriting result. Motor performance was positive, with the full-year loss ratio better than target. Whilst Motor claim frequency increased, AICL took mitigating pricing action from Q2 2025. Home business saw both strong premium growth as well as improved loss ratio performance, despite a subsidence surge driven by a dry 2025.

Broker Panel Changes:

AICL's competitive position was influenced by notable changes in the Saga broker panel. Increased Saga investment in aggregator-focused Motor growth plus changes in panel underwriter footprints impacted AICL's panel shares and premium levels. In Home, AICL strengthened its position, increasing sale shares in both Buildings and Contents while maintaining pricing discipline and loss ratio performance.

Claims Inflation and Operational Dynamics:

Claim cost inflation stabilised compared to prior years with this arising despite ongoing global supply chain pressures, higher costs associated with EV repairs, increases to whiplash tariffs, wage inflation, and adverse weather effects. Claims operational focus resulted in strong performance across customer metrics in line with Saga and Ageas brand expectations.

Pricing Developments:

AICL continued its implementation of granular pricing improvements. Improvements helped offset inflation effects and anti-selection. Collaboration with Ageas under the Home co-insurance partnership expanded pricing and footprint opportunities, including ceding risks to Flood Re.

Regulatory Oversight:

Regulatory oversight continued through proactive GFSC and FCA engagement. AICL delivered its Consumer Duty Board Report for the second year, strengthened governance structures, and responded to FCA thematic reviews, particularly around home claims handling. The business engaged with evolving regulatory initiatives, including CP25/12 on insurance rule simplification and changes to GIPP reporting requirements. Operational resilience also improved following comprehensive testing and external support from EY.

Product and Distribution Changes (Pet and Caravan):

Saga's strategic decision not to migrate Pet and Caravan products to its new platform (SID) resulted in both products transitioning away from AICL. Caravan exposure ceased in May 2025, and Pet business is being migrated to an alternative provider over a 12-month period beginning September 2025.

A.2 Underwriting Performance

The Company's key financial and other performance indicators during the year were as follows:

Period ended	31 December 2025	31 January 2025
	£ million	£ million
Gross Written Premium	123.5	158.9
Profit and loss, excluding quota share reinsurance		
Net Earned Technical Income	122.9	171.5
Other Income	4.1	6.4
Net Claims Incurred – Current Year	(109.6)	(148.9)
Net Claims Incurred – Reserve Releases	26.3	13.3
Operating Expenses	(15.5)	(16.1)
Investment Return	7.9	9.4
Sub Total	36.1	35.5
Quota share reinsurance cost	(12.7)	(29.7)
Underlying Profit before taxation	23.4	5.8
Combined Ratio (excluding investment return)	85.2%	100.4%

Effective from 1st February 2019, the Company entered a new quota share agreement provided by two reinsurance companies with an equal share of 80% of its motor insurance risks.

Excluding the impact of the quota share arrangement, net earned premiums decreased by 28.3% to £123.5m (Jan 2025 £158.9m) reflecting in part a shortened 11 month current year period, to align the reporting year with Ageas. On a like for like basis, across the same 11 month period, GWP decreased by 17% year on year, a result of a 10% decrease in Saga Motor average earned premiums together with a 16ppt reduction in the number of earned policies, a result of lower volumes on Saga panels.

Excluding the impact of the quota share arrangement, prior year reserve releases of £26.3m (Jan 2025: £13.3m) were recognised primarily reflecting continued favourable experience on large bodily injury claims relating to prior accident years.

Underlying PBT (excluding exceptional costs) increased by £17.6m year on year to £23.4m (Jan 2025: £5.8m) a result of favourable current and prior year claims experience. This is reflected in the combined operating ratio (COR) of 85.2% (Jan 2025 100.4%).

Key financial indicators by major line of business follow:

Period ended 31 December 2025	Motor	Direct Assistance	Miscellaneous Financial Loss	Other	Total
	£m	£m	£m	£m	£m
Gross Written Premium	98.8	23.3	1.3	0	123.5
Profit and loss, excluding quota share reinsurance					
Net Earned Technical Income	99.1	22.9	0.7	0.1	122.9
Other Income	0.5	0.9	0	3	4.1
Net Claims Incurred – Current Year	(86.1)	(22)	(0.7)	(0.9)	(109.6)
Net Claims Incurred – Reserve Releases	27.2	(0.9)	0	0	26.3
Operating Expenses	(13.5)	(0.2)	(0.0)	(1.4)	(15.5)
Investment Return	5.8	0.2	0	(0.0)	5.9
Sub Total	32.4	0.9	0	0.9	34.2
Quota share reinsurance cost	(12.6)	0	(0.0)	(0.1)	(12.7)
Profit on Technical Account	19.8	0.9	0	0.7	21.5
Investment return on shareholders' funds					1.9
Profit before taxation					23.4

For comparison the key financial indicators by major line of business for the previous year follow:

Year ended 31 January 2025	Motor	Direct Assistance	Miscellaneous Financial Loss	Other	Total
	£m	£m	£m	£m	£m
Gross Written Premium	134.2	21.6	0.9	2.3	158.9
Profit and loss, excluding quota share reinsurance					
Net Earned Technical Income	146.2	22.1	1.5	1.7	171.5
Other Income	0.3	3.7	0.0	2.4	6.4
Net Claims Incurred – Current Year	(120.8)	(22.3)	(3.2)	(2.6)	(148.9)
Net Claims Incurred – Reserve Releases	15.6	(2.5)	0.0	0.2	13.3
Operating Expenses	(14.1)	(0.2)	(0.1)	(1.7)	(16.1)
Investment Return	6.5	1.0	0.0	0.1	6.8
Sub Total	33.5	1.0	(1.7)	0.1	33.0
Quota share reinsurance cost	(27.4)	0.0	(2.1)	0.0	(29.7)
Profit on Technical Account	6.2	1.0	(3.8)	0.0	3.2
Investment return on shareholders' funds					2.6
Profit before taxation					5.8

A.3 Investment Performance

A.3.1 Income and expenses arising from investments by asset class.

The table below shows a summary of the market value and income from AICL's investments, excluding cash, split by asset class. Investment properties, leased to Group and currently held for sale are valued at the lower of current market value and depreciated historical cost.

Asset Type	Value as of 31 December 2025	Value as of 31 January 2025	Income in 2025	Expenses in 2025
	£ million	£ million	£ million	£ million
Money market funds	87.7	62.9	1.5	0.0
Property	16.0	23.2	2.6	0.0
Fixed Interest Securities	114.0	178.7	4.1	(0.1)
Total	217.6	264.7	8.2	(0.1)

2025 saw a c.15% year on year reduction in investment income, largely reflecting a shortened current year period and a smaller investment portfolio, partially offset by higher average yields with maturing fixed term corporate bond maturities reinvested into highly liquid money market funds.

A.3.2 Gains and losses recognised directly in equity.

The table below provides information regarding realised and unrealised gains and losses recognised in AICL's IFRS equity.

	Called-up Share Capital	Share Premium Account	Other Reserves	Profit & Loss Account	Total Equity
	£m	£m	£m	£m	£m
As of 31 January 2025	30.0	-	(4.5)	51.0	76.5
Profit for the financial year				19.0	19.0
Net gain on available for sale financial assets			3.8		3.8
Associated tax effect			(0.9)		(0.9)
Dividends paid				(10.0)	(10.0)
As of 31 December 2025	30.0	-	(1.7)	60.1	88.4

A.3.3 Investments in securitisation

AICL does not directly hold any securitised assets.

A.4 Performance of other activities

A.4.1 Other Income arising

Period ended	31 December 2025	31 January 2025
	£ million	£ million
Expense allowances and profit shares	9.3	35.7
Total	9.3	35.7

Expense allowances and profit shares receivable under co-insurance or reinsurance arrangements are recognised as they accrue, in line with underlying contractual terms. Where reinsurance expense allowances directly relate to specific costs or income items they are presented on a net basis in the profit and loss account.

A.4.2 Expenses arising

Period ended	31 December 2025	31 January 2025
	£ million	£ million
Levies payable to regulatory bodies	2.7	3.8
Acquisition costs	0.0	0.0
Administrative expenses	12.8	12.2
Reinsurer's share of expenses	(7.7)	(8.7)
Total	7.8	7.4

Levies payable to regulatory bodies are typically payable on written premium and debited to the profit and loss account on the same basis. Operating expenses are taken to the profit and loss account as incurred. Where reinsurance expense allowances directly relate to specific costs or income items they are presented on a net basis in the profit and loss account.

A.5 Any other information

There is no other material information in respect of the performance of the business.

B. System of Governance

B.1 General Information on the system of governance

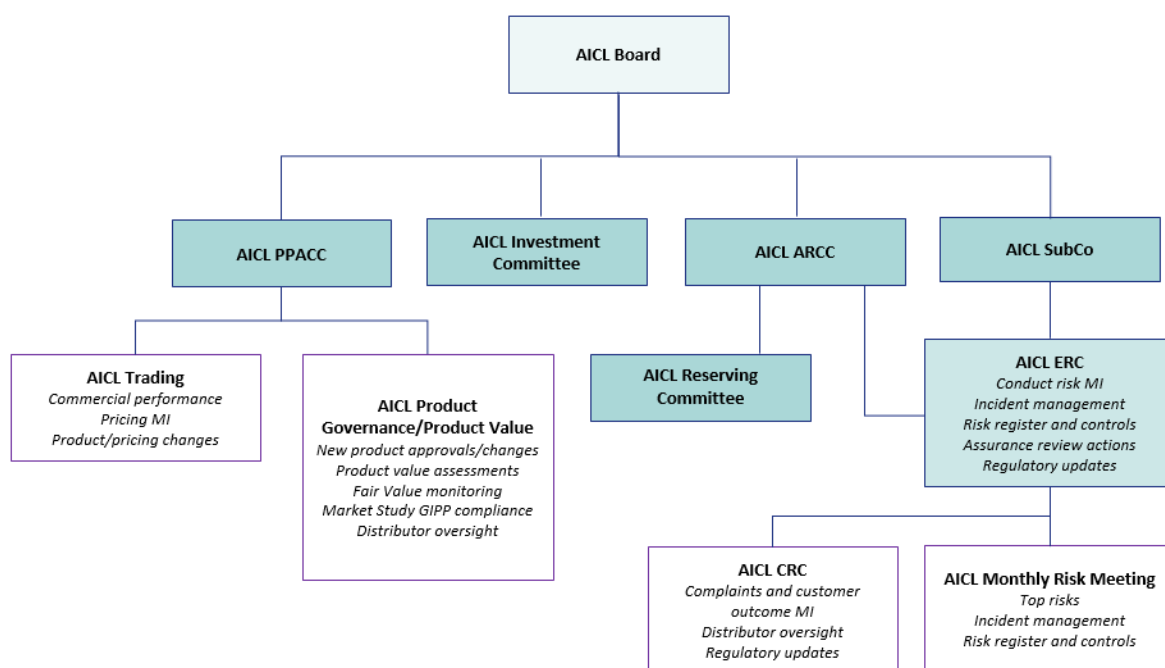
B.1.1 The structure, roles, and responsibilities of the undertaking's administrative, management or supervisory body and relevant committees

AICL employs a governance model which utilises a framework of committees and a Board Sub-committee to control the operation of the entity and to ensure adherence to the Board's direction. The terms of reference relating to those committees and the policies through which the company manages its operations are normally reviewed at least on an annual basis to ensure continued alignment to the Board's direction. In addition, the oversight afforded by the independent Internal Audit function ensures that the system of governance adopted by AICL is adequate and proportionate for the operation of the business.

The AICL Board of Directors retains overall responsibility for the system of governance.

The governance committee structure is outlined below:

AICL GOVERNANCE STRUCTURE JANUARY 2026



Each Committee has delegated authority from the Board to carry out its responsibilities and objectives. In addition, each of the Committees report and escalate any matters of concern to the Board. In practical terms, each of the Committees (except for the Audit, Risk and Compliance Committee) notify any key decisions or matters of concern to the monthly Board Sub-committee.

The Board, via the Board Sub-committee, carries out monthly checks on progress against the Board strategy. The Board Sub-committee is responsible for the oversight of the operation and has been

appointed by the Board to exercise that control. The Board Sub-committee ensures that all material risks are identified and the impact on the business established, mitigations are identified and appropriately acted upon. The Board Sub-committee reports to the Board after each meeting and escalates any matters of concern.

The Audit, Risk and Compliance Committee operates independently from all other Committees and make necessary recommendations directly to the Board.

A summary of the key responsibilities for the main committees follows.

B.1.1.1 Audit, Risk & Compliance Committee

Responsibilities include:

- To assist the Board in meeting its responsibilities in respect of regulatory matters, financial reporting, and the maintenance of effective internal controls and risk management systems.
- To strengthen the independent position of AICL's external auditors by providing a direct channel of communication between the external auditors and the non-executive Directors.
- To strengthen the independent position of the control functions (i.e. 2nd and 3rd lines of defence) by providing a direct channel of communication to the non-executive Directors.
- To ensure all material risks are adequately identified, assessed, monitored, and mitigated, including new and emerging risks.
- To review AICL's risk appetite and tolerances in the context of its current and future strategy and make recommendations on risk appetite and tolerances to the Board, ensuring that there is consistency with the Board risk appetite.
- To review AICL's current and forecast risk profile, compare it with the risk appetite, review the drivers for any changes in risk profile and consider the management actions required to ensure the company remains within appetite.
- To consider emerging and potential risks and review the management actions which may be required in response to these risks.
- To review the effectiveness of controls and to advise the Board on the adequacy of the control environment and confirm that key controls are operating effectively.
- To provide input into and then review and challenge the Own Risk and Solvency Assessment (ORSA) process and report, ahead of recommending the ORSA report to the Board for approval.

B.1.1.2 Pricing, Product and Customer Committee

Responsibilities include:

- To consider the adequacy of premiums to target AICL's return on capital.
- To review changes to rating factors or net rates provided to AICL's intermediaries.
- To review the value of products to AICL customers.
- To review those areas where AICL's underwriting is delegated to its intermediaries.
- To review requests to approve policy wordings.
- To review the technical standards being maintained by AICL's intermediaries or any breaches of the above areas.
- To understand reinsurance and capital management arrangements.

B.1.1.3 Investment Committee

Responsibilities include:

- To propose and maintain a set of investment principles for Board approval.
- To ensure investments are held in acceptable investment classes and in sterling or to be hedged against currency exposure.
- To ensure that consideration is given to the risk/reward profile including associated capital requirements of different types of investments.
- To ensure that investments comply with the AICL and Solvency 2 capital requirements and restrictions regarding exposure, duration, and rating as set out in the Investment Principles.
- To review all underlying assets to ensure they are appropriate to AICL's appetite for market, counterparty, and liquidity risks as detailed in the Investment Policy.
- To regularly review the security, quality, liquidity, and profitability of the portfolio as a whole.
- To forecast and manage cashflow requirements including ensuring AICL maintains a minimum liquid free cash balance to ensure day-to-day obligations can be met.

B.1.1.4 Reserving Committee

Responsibilities include:

- To approve and recommend the appropriate level of claims reserves.
- Assess the uncertainties and risks associated with the claims reserves to inform and recommend the appropriate level for booked reserves and by implication advise on any related reserve releases or strengthening.

Outcomes are recommended to the Audit, Risk & Compliance Committee (who recommends to the Board).

B.1.2 Material changes in the system of governance in the reporting period

AICL's Board of directors meets in Gibraltar approximately 4 times per annum. During 2025, any additional Board meetings were held by video-conference to review or progress on the sale of the business to Ageas (UK) Limited, which completed with change in control on 1 July 2025.

The Board delegates day-to-day decision-making powers to sub-committees, which are governed by terms of reference approved by the Board. The activities of the majority of these committees are overseen by the AICL Board Sub-Committee. The AICL Board Sub-Committee meets at least 10 times per annum in Gibraltar and receives a full update across all aspects of the business and reports and refers any items as necessary to the Board. The Audit Risk and Compliance Committee (ARCC) carries out its oversight obligations and reports directly to the Board. Following change in control on 1 July 2025, the Remuneration Committee and Nomination Committee have been disbanded and the relevant duties overseen by the Ageas UK Remuneration Committee, in line with the Ageas Group governance standards.

As at 31st December 2025, the Board members are as follows:

- The Chair of the Board is an independent non-executive director of AICL, who also serves on the Board of Ageas UK entities
- One non-executive director
- An independent non-executive director who is a Gibraltar resident
- Two executive directors; the CEO and Chief Actuary, who are solely AICL directors
- Three non-executive directors who hold executive positions within the Ageas UK business

B.1.3 Remuneration Policy

B.1.3.1 Principles of the Remuneration Policy

Since change in control from Saga to Ageas, relevant remuneration duties for AICL have been overseen by the Ageas UK Remuneration Committee.

Ageas UK have established a Remuneration Policy, oversight of which is provided by the Ageas UK Remuneration Committee of Independent Non-Executive and Group Directors, who consider and ensure the framework and arrangements that govern the remuneration of the Executive and Senior Management are appropriate, transparent and are aligned to Ageas UK's long term business strategy, risk appetite and values, and that the remuneration structure meets statutory and regulatory requirements.

The Remuneration Policy describes the following objectives:

- To be able to attract, retain and motivate our Executives to deliver the required standards of performance
- Reward contribution to the business as well as to Ageas as a whole, ensuring all risk exposures are consistent with the Company's formally agreed Risk Appetite
- Recognise individual performance as well as seeking to reinforce personal behaviours that deliver on our values
- Provide a competitive remuneration package, which is fair and reasonable compared to the UK market, and in the context of the wider employee population.

- Provide a remuneration structure which meets statutory and regulatory requirements
- Support the delivery of good customer outcomes

The Remuneration Policy safeguards against inappropriate risk taking, and the approach is to provide a combination of fixed and variable pay. The standard arrangements are linked to Work Level and provide a higher level of pay for more senior roles. All employees who are eligible for the annual bonus are subject to the calculation which consists of both financial and non-financial metrics and are calculated based on a combination of business KPIs and individual performance. Employees within the Executive population are eligible to participate in Executive Incentive Schemes which consist of various elements, including both financial and non-financial metrics, which include Ageas Group performance, Ageas UK performance and individual performance. The Executive Schemes include an element of deferral should certain thresholds be met. The rules for each Scheme are described and circulated to eligible employees each year.

Employees in Work Level 6 and above are invited to participate in the Ageas Group Executive Share Scheme.

All employees in the UK are eligible to join a Group Personal Pension Scheme.

B.1.3.2 Material transactions in the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body

During the reporting period, the following material transactions took place with shareholders.

- A dividend of £9 million was paid in January 2025 to Saga
- A dividend of £10 million was paid in June 2025 to Saga

There were no transactions with members of the administrative, management or supervisory body.

B.2 Fit and proper requirements

B.2.1 In accordance with regulatory requirements, AICL conduct Fit and Proper assessments annually of all its Regulated Individuals, including those in its outsourced claim's function. Specific requirements concerning skills, knowledge and expertise.

AICL has put in place policies and procedures that provide evidence of fitness and propriety for Directors and Regulated Individuals and those responsible for discharging a key function. Supporting documentation is collated prior to appointment, and in conjunction with the recruitment and appointment processes, which provides information on the individuals skills and experience and includes but is not limited to:

- Detail of their personal characteristics (including being of good repute and integrity)
- Their level of competence, knowledge and experience
- Their qualifications
- Confirmation that they have undergone or are undergoing all training
- Financial soundness

Where applicable this information is submitted to the GFSC in support of their applications as Regulated Individuals.

The obligation to be fit and proper continues for as long as the individual remains a Director, or a Regulated Individual, and failure to remain fit and proper to perform a regulated function can result in the GFSC prohibiting that individual from performing that function. AICL has put in place policies and procedures that provide evidence of fitness and propriety, including a recruitment and appointment process for Directors and Regulated Individuals and a regular cycle of appraisals and performance reviews, and up to date training records, in addition to an annual self-certification exercise.

B.2.2 Process for assessing the fitness and the propriety of the persons who effectively run the undertaking or have other key functions.

The objective of AICL's Fit and Proper Persons process is to ensure compliance with regulatory requirements by confirming that individuals in a position of influence - namely key function holders and senior colleagues meet the necessary standards of fitness and propriety:

- They are people of honesty, integrity, and good reputation
- They have the competence and capability needed to conduct business
- They are of sound financial standing

These criteria are not intended to be exhaustive or definitive. The fit and proper assessment is designed to safeguard the interests of actual and potential customers or clients. It follows that any factor which may suggest that a person is not fit and proper is considered relevant, even if it does not fall into the categories above.

The Ageas UK Company Secretariat is responsible for monitoring and compliance with AICL's Fit and Proper Persons processes and carrying out the necessary assessment to ensure continued compliance. An annual assessment is undertaken for individuals subject to the process. This assessment focuses on key areas including:

- Understanding of insurance and financial markets
- Knowledge of the business model and strategy
- Understanding of the system of governance
- Financial analysis skills, including management information
- Actuarial analysis skills
- Regulatory framework and requirements

B.3 Risk Management including the Own Risk and Solvency Assessment

B.3.1 Risk management system and framework.

AICL uses the “Three Lines of Defence” model for its risk governance structure, which includes all employees in the management of risk. The Internal Audit function forms the 3rd line of defence, the Risk (including Conduct Risk) function the 2nd line, and all other business functions the 1st line.

The Risk Strategy and Policy sets out the overall risk strategy and framework which AICL operates under.

The Risk Strategy and Policy is designed to support the business in achieving its goals, and incorporates risk taxonomy, risk governance and the policies and procedures for the management of risks to which AICL is exposed. The framework incorporates processes for identifying, assessing, mitigating, reporting and monitoring risk.

B.3.1.1 Risk appetite

AICL defines Risk Appetite as the aggregate amount, and sources of risk it is seeking, willing to accept, and looking to avoid, in pursuit of business objectives over a defined time horizon. It is derived from AICL’s capacity to bear risk and the Boards’ attitude towards taking risk.

AICL has a set of risk appetite statements that have been agreed at Board level for the main categories of risk. The risk appetites and associated measures are reported to the AICL Audit, Risk and Compliance Committee and the Board.

B.3.1.2 Implementation of the Risk Management Framework

AICL acknowledges that Risk Management is both a collective and an individual responsibility. As such, every colleague in AICL is required to identify, escalate appropriately and manage risk.

The first line Management of the business have the primary responsibility for implementing the Risk Management Framework within the business, under the guidance of the CEO who is the designated Risk owner for AICL and supported by the second line Chief Risk Officer (CRO) Function who provide guidance, oversight, and challenge. The CRO Function is also responsible for designing the overall Risk Management Framework ensuring it remains fit for purpose and aligned to business strategy and external good practice design principles. The CRO Function has the authority, resources, expertise and access to all relevant information, colleagues, and Board members to enable it to carry out its activities.

B.3.1.3 Risk Incidents

AICL follows the Incident Management process which sets out the minimum standards for incident management, which include the speed at which incidents should be raised after discovery, requirements for closing incidents and the role of the 2nd line to oversee key stages of the incident management cycle.

AICL also adheres to the Ageas Speak Up Policy, which allow any concerns of wrongdoing to be raised in a safe environment.

B.3.1.4 Risk Monitoring

AICL monitors its risk exposures through its risk appetites, risk incident profile, control effectiveness testing and a range of risk reporting that address the top current and emerging risks facing the business. Risk information is taken to the appropriate committee aligned to the terms of reference and duties of those committees. Actions that are agreed are tracked through to completion and supported by Risk policies that set the minimum standards against which controls and incidents should be managed.

B.3.1.5 Conduct Risk

The Ageas Compliance team (part of the CRO Function) is responsible for the monitoring, managing, and reporting of conduct risks, including conduct regulatory matters, to which AICL is exposed. The Compliance function has the necessary authority, resources, expertise, and access to all relevant information to carry out its activities. It includes members of the Compliance Insight & Advice team who provide advice, guidance and second line oversight on conduct issues and an Assurance team which conducts detailed reviews and other monitoring activity based on an annual risk-based plan which is reviewed and approved by the Audit Risk and Compliance Committee. It also has ultimate recourse to the GFSC and the FCA on matters relating to conduct issues. The Compliance function also has the right to obtain any records necessary to allow it to carry out its responsibilities and has unfettered access to all AICL and ARL Claims colleagues and the AICL Board.

The activities of the Compliance function are subject to periodic review by Internal Audit.

B.3.2 Own Risk and Solvency Assessment (ORSA)

B.3.2.1 The ORSA process

The ORSA process captures the output of the risk exercises (described above) and assists management, the Audit, Risk and Compliance Committee and the AICL Board with decision making.

The ORSA is a continuous process which includes an annual report of AICL's risk management practice and solvency position. A single report is produced which is intended to satisfy both the internal and supervisory requirements.

The annual ORSA report is aligned to AICL's business plan and planning process and produced for Board approval at the end of the financial year.

The ORSA report adds value to internal stakeholders, in particular the Audit, Risk and Compliance Committee and the Board by:

- Providing a view of the current and forecast risk profile and capital position, as well as the risks taken according to the company's strategy. The ORSA report evidences that information on risk and capital is provided to the Audit, Risk and Compliance Committee and the Board in a consistent, accurate and timely manner.

- Providing a holistic and objective assessment of the risk and capital profile, bringing together qualitative and quantitative information from across the organisation that may be included in business planning.
- Assessing the efficacy of possible management actions available to AICL and identifying future scenarios where management actions may be required (to support the improvement of the risk and capital position).
- Providing the Audit, Risk and Compliance Committee and the Board with a view on the current design of the risk and capital management framework.
- Providing internally driven challenge and analysis with a regulatory perspective from within the organisation and ultimately reducing the potential for regulatory intervention and any possibility of a capital add-on.

The ORSA reviews AICL's forecast capital requirements considering all quantifiable and non-quantifiable risks to which AICL is exposed and therefore determines whether own funds are expected to be sufficient to cover the company's SCR in line with its risk appetite and business plan.

The ORSA includes key risk indicators which allow the Board to understand the risk profile of the business.

Although the AICL Board has delegated responsibility for the ORSA process to the AICL Audit, Risk and Compliance Committee, it retains overall responsibility, providing input and direction for its content before ultimately approving the final version.

B.3.2.2 Frequency of the ORSA process

The ORSA is a continuous process, overseen by the Audit, Risk and Compliance Committee, which includes an annual report on AICL's risk management practices and solvency position. An ORSA report will also be completed when business decisions which involve a significant change in the risk profile of the business are proposed.

The 2025 annual ORSA report was signed off by the Board in February 2026 before being submitted to the GFSC.

B.3.2.3 Determination of solvency needs

AICL's solvency needs are determined as part of the ORSA process. The ORSA process reviews whether the use of the standard formula is appropriate for the company's risk profile. The solvency needs are then projected under central, best-estimate assumptions for the duration of the planning period to assess whether the Solvency Capital Requirements (SCR) and the Minimum Capital Requirement (MCR) will continue to be met over the plan period. Stress scenario tests are then carried out, including reverse stress tests. The projected capital requirements are monitored by the AICL Board Subcommittee and significant deviations or concerns will be escalated to the AICL Board.

B.4 Internal control system

B.4.1 Description of the internal control system

AICL's Board of Directors assumes the ultimate accountability for ensuring that AICL complies with its responsibilities ensuring that a robust internal control framework is in place. As previously stated, AICL acknowledges that Risk Management is both a collective and an individual responsibility, and every colleague in AICL is required to identify, escalate appropriately, and manage risk, which includes the continuous management and improvement of the internal control environment. Senior management and managers are responsible for the requisite procedures to ensure a compliant operational regime.

All AICL management are made aware of their responsibility to comply with the relevant risk management policies. Access to the policies is available to all AICL colleagues.

In addition to the required internal functions of Internal Audit, Enterprise Risk, Conduct Risk and Actuarial, AICL's external auditors also provide a degree of assurance as to AICL's internal controls environment through its interim and final audits of AICL's systems and processes. The external auditors report to AICL's Audit, Risk and Compliance Committee.

The Audit, Risk and Compliance Committee, under the chairmanship of a non-executive Director, meets at least four times per year to review and oversee the effectiveness of the AICL risk management framework and its application.

Other ways in which AICL ensures that it has a robust internal control framework in place are:

- Key control assurance of control design effectiveness and operational effectiveness performed by the business and subject to oversight and periodic review by the 2nd line Risk function
- Root cause analysis required for material risk incidents to identify what controls failed to operate effectively and to carry out control improvement to prevent recurrence
- Consideration of control requirements in product developments, IT developments or other material change initiatives
- Monthly control reviews to ensure that key financial reconciliations are being carried out on a timely basis
- Regular internal and external operational audits and reviews of claims, underwriting, pricing, reserving and other processes to review the effectiveness of operational controls
- Regular operational audits of third-party providers to review the quality of their operational controls
- Periodic reviews of its operational resilience and disaster recovery processes to ensure that AICL can respond effectively to events that might threaten day to day operations
- Documentation of detailed procedures and controls for all important financial and operational systems
- Conducting appropriate due diligence when recruiting and training colleagues that fall under the Regulated Individuals Regime

B.4.2 Implementation of the compliance function

AICL's Policies require it to comply with all regulatory requirements (including legislation where it affects compliance matters) in its home and host jurisdictions through its operation of branch establishments or passporting of services.

AICL's home state compliance is outsourced to WTW in Gibraltar. AICL host state compliance is provided by Ageas UK through the Compliance Insights & Advice team.

As home state compliance function, WTW has established a Compliance Risk Management Plan for AICL to monitor, maintain, identify and respond to any possible breaches of these regulations.

The Host State Compliance function is responsible for developing an annual compliance plan which includes a risk-based compliance monitoring program of the key internal processes and controls to ensure that these are operating effectively; to document the reviews undertaken and the results obtained. The compliance plan will ensure that all relevant areas of the Company's activities are considered in the context of the regulatory environment, upcoming developments and change, taking into account their susceptibility to compliance risk from a Home State perspective. On a quarterly basis, progress towards the plan and key conduct and regulatory risks identified, are reported to the relevant committees through the Compliance Report.

B.5 Internal audit function

B.5.1 Implementation of the internal audit function

The Internal Audit ("IA") key function responsibility within AICL sits with the (Ageas UK) Chief Audit Officer. The objective of IA is to provide the Board and management with independent, risk-based and objective assurance, advice, insight and foresight designed to strengthen AICL and Ageas' ability to create, protect and sustain value. IA do this by evaluating the adequacy and effectiveness of governance, risk management and control processes and recommend solutions for optimising and/or improving them using a systematic, disciplined approach.

The Internal Audit function prepares an audit plan each year which sets out the review work they will undertake; this plan is to ensure the effectiveness of the internal risk and control environment within AICL and is developed considering AICL's risk profile and risk management framework. The audit plan is refreshed during the year to consider emerging trends and potential risks which may impact AICL.

Where recommendations are made following audits, or an audit has identified any issues, these will be raised with management and suitable action plans to resolve issues will be agreed. Actions arising are tracked until completion. Where any issues are identified which relate to AICL's regulatory status, permissions, or authority then the Chief Audit Officer shall immediately inform the AICL CEO and Director of Compliance and agree the steps to be taken to resolve and where appropriate refer to the supervisory authority.

B.5.2 Independence of the internal audit function

The Internal Audit Charter and Mandate define the independence, purpose, authority, and responsibility of the Internal Audit function, and outline the activities that take place to support the AICL Board.

Internal Audit attends and submits independent reports to the ARCC.

AICL's commitment is that, in carrying out its activity the internal audit function will:

- Be free to deliver assignments and express opinions without interference
- Have freedom and total access to information and colleagues
- Be able to review AICL's internal control system
- Review the adequacy of AICL's system of governance

It is important to note that the Head of Internal Audit has no responsibility for any other key functions or operations within AICL.

B.6 Actuarial function

B.6.1 Implementation of the Actuarial Function

The Actuarial Function is led by the Actuarial Function Holder, currently the AICL Chief Actuary. The work of the Actuarial Function was carried out by members of AICL's actuarial department (Ageas' actuarial department from Dec-25) and includes but is not limited to, on a regular basis (at least annually):

- Coordination and calculation of technical provisions (IFRS4, IFRS17 and SII)
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions.
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions.
- Comparing best estimates against experience
- Informing the AICL Board of the reliability and adequacy of the calculation of technical provisions
- Expressing an opinion on the overall Underwriting Policy
- Expressing an opinion on the adequacy of reinsurance arrangements
- Support on reinsurance renewal
- Calculation of the undertaking-specific parameters
- Calculation of the SCR and monitoring it against the Solvency 2 Own Funds
- Forecasting the capital position of the Company in line with financial forecasts/business plan
- Contributing to the effective implementation of the risk-management system

An Actuarial Function report is provided to the AICL Board each year. The responsibilities that fall under the remit of the Actuarial Function are segregated from other business activities to allow independent review and challenge.

B.7 Outsourcing

AICL makes extensive use of outsourcing, principally to Ageas, with the AICL Board responsible for these arrangements. Up to 1 December 2025 AICL employed approximately 60 colleagues, in pricing & underwriting, actuarial and finance functions. From 1 December 2025, AICL colleagues were transferred to Ageas with these colleagues continuing to perform those functions via a new outsourcing agreement with Ageas. Other functions were outsourced to other parts of the Saga group up to change in control (CIC) on 1 July 2025 and to both Saga and Ageas from change in control. Gibraltar home state insurance management is outsourced to Willis Towers Watson (WTW), Gibraltar.

Claims handling is outsourced to Ageas Retail Limited with extensive oversight from AICL, as follows:

- The Claims Director reports regularly to the AICL executive and the AICL Board
- The AICL/ARL Conduct Risk Committee reviews detailed KPIs from ARL each month, covering claims management, customer service and outsourcing. In addition, the actuarial function reviews and reports on claims data and emerging trends as part of the monthly reserving process. This output feeds both the financial reporting process and the pricing function who assess overall pricing adequacy on a monthly basis.
- The AICL/ARL Conduct Risk Committee reviews customer satisfaction scores and “closing the loop” actions

The Board remains responsible for all outsourced activities.

B.8 Any other information

There is no other material information to be disclosed.

C. Risk Profile

AICL's activities expose it to a variety of risks which may impact AICL's ability to meet its business objectives. The main risks to which AICL is exposed can be mapped to the Solvency II Solvency Capital Requirement (SCR) risk categories. A breakdown of the SCR risk categories as at 31 December 2025 is set out below:

Risk Category	31 December 2025 SCR	31 December 2025 % of SCR
Non-Life Underwriting Risk	25.8	62%
Market Risk	12.4	30%
Counterparty Default Risk	6.6	16%
Life Underwriting Risk	1.3	3%
Diversification Benefit	(10.8)	(26%)
Operational Risk	6.5	16%
Deferred Tax Adjustment	-	-
SCR	41.9	100%

Sections C.1 through C.7 provide further detail on the primary risks to which AICL is exposed.

Concentration risk for AICL primarily arises from its reliance on other firms within the Ageas group as well as ongoing exposures to its previous owner Saga plc. Group risk is discussed in section C.6.2. AICL is also exposed to concentration risk in respect of its quota share arrangements for its motor business.

C.1 Underwriting Risk

Underwriting risk is made up of non-life and life risk components.

C.1.1 Non-life underwriting risk

Non-life underwriting risk comprises 62% of AICL's SCR as of 31 December 2025 and consists of the following components:

- Premium risk
- Reserve risk
- Catastrophe risk
- Lapse risk

Non-life underwriting risk is driven by the premium and reserve risk components, with small contributions from catastrophe and lapse risk.

Most of the non-life underwriting risk relates to motor insurance, which contributes over 80% of AICL's premium income and over 90% of technical provisions gross of reinsurance.

AICL manages underwriting risk through its policies on underwriting, pricing, reserving and reinsurance. Any breaches of the policies are reported to the ARCC or the PPACC as appropriate.

The premium risk is assessed and managed by a suite of management information reports analysed by management. The management information tracks the performance of the business at both the overall and granular levels, allowing a view to be taken on the performance of the business and the rating structure for different segments of the business. Pricing levels are reviewed monthly and allow for the effect of claim cost changes including inflation as well as changes in other non-claims costs when these arise. Price changes are proposed by the pricing teams and approved by PPACC or weekly trading meetings under delegated authority and ratified by the sub-committee.

Premium risk is also managed using an underwriting policy which sets out the business which AICL accepts at normal premium terms, business which may be acceptable after referral to the specialist underwriting team and business which is not acceptable under any circumstances.

Underwriting risk is further mitigated by reinsurance, with both proportional and non-proportional covers in place.

Reserve risk is managed by monthly reviews of claims experience and claim cost projections. The monthly claim projections are approved by the Chief Actuary. In addition, reserves are reviewed by independent external actuaries as part of the year-end financial reporting process. Scenario-based and statistical reserve risk analyses of reserve variability are carried out on a half-yearly basis. The level of ABE reserves and reserve margin is reviewed and approved by the Reserving Committee, the ARCC and the AICL Board.

C.1.2 Life underwriting risk

Life underwriting risk arises from third party personal injury claims which have settled as periodic payment orders (PPOs) and are currently in payment. This risk comprises c.3% of AICL's Solvency Capital Requirement as at 31 December 2025. The risks relevant to AICL within the Solvency 2 standard formula calculation of life risk are expense risk, longevity risk and revision risk. Life risk does not contribute significantly to the SCR due to AICL's reinsurance programme and the small number of PPOs that are in payment.

C.2 Market risk

Market risk represents the risk of financial losses due to fluctuations in the level and volatility of market prices of assets and liabilities.

Under the Solvency 2 standard formula, market risk comprises 30% of AICL's SCR at 31 Dec 2025 and includes the following types of risk:

- Interest rate risk – the risk that changes in the value of liabilities are not adequately offset by changes in the value of assets, as a result of movements in interest rates.

- Equity risk – the risk involved in the changing prices of stock investments. This is not a risk for AICL as it does not invest in equity investments.
- Spread risk – the risk that adverse changes in the value of assets, caused by increasing bond yields relative to risk-free yields, are not adequately offset by changes in the value of liabilities.
- Currency risk – the risk of loss from changes in the level or volatility of currency exchange rates. This is not a risk for AICL as it invests in GBP currency investments or would otherwise hedge currency risk.
- Property risk – the risk of changing market values of properties owned by AICL.
- Concentration risk – the risk of holding a concentration of investments within a particular asset class or with a particular counterparty.

Market risk is managed by the AICL Finance Director, applying the Investment Policy. This activity is overseen by the Investment Committee which reports directly to the Board. The Board Sub-committee also reviews the activity of the Investment Committee and escalates to the Board any areas of concern.

The Investment Policy adheres to the “prudent person principle” by only allowing investments to be held in an approved list of asset classes and where appropriate, individual named assets. All investments must comply with the Investment Policy restrictions on exposure, duration, and rating. The use of a defined list of allowable assets ensures that risk concentrations are understood and can be easily measured.

The Investment Policy is approved by the AICL Board based on recommendations from the AICL Investment Committee. The sale or transfer of any asset requires sign-off by an AICL Director.

All investments are to be held in sterling or, if held in foreign currency, to be hedged such that exchange rate risk is eliminated.

All property investments must be approved by the AICL Board of Directors. Consideration is given to the likelihood of uninsurable events, and on-going property maintenance arrangements.

When selecting investments, the Investment Committee seeks as far as possible to match investments with the profile of the underlying liabilities but should not seek to do so if any of the detailed requirements of the Investment Policy would be breached. In this context, liabilities are defined as AICL balance sheet technical liabilities.

For assets in excess of those backing technical liabilities the Investment Policy remains applicable, save that the objective to match against underlying liabilities will, by definition, not apply. A policy breach will not be caused by an asset increasing in value where the original purchase was within the policy limits.

Investments that fall outside the AICL Investment Policy may be considered by the AICL Investment Committee and recommended to the AICL Board for inclusion on a case-by-case basis.

Investments will not be lent or pledged.

Consideration must be given to the capital requirements of different types of investments.

Any breaches of the Investment Policy are reported to the AICL Investment Committee and the AICL Board Sub-committee.

A comparison of the assets held on 31 December 2025 and at 31 January 2025 is shown in the following table:

Investment Category	31 December 2025	31 January 2025
Bank Deposits and Cash	3%	5%
Money Market Funds	39%	23%
Corporate Bonds	33%	40%
UK Gilts/ Supranational Bonds	18%	25%
UK Property	7%	8%
Total	100%	100%

C.3 Credit risk

Credit or counterparty default risk represents the risk of default by reinsurance partners and other counterparties holding AICL assets, in line with the Solvency 2 standard formula approach. Investment credit spread risk is discussed in section C.2 Market Risk.

Counterparty default risk represents 16% of AICL's SCR as at 31 December 2025. This risk is comprised of type 1 counterparty risk – primarily the risk relating to reinsurer default and connected party balances – combined with type 2 counterparty risk - the risk relating to premium debtor receivables.

The counterparty default risk charge has reduced over the year reflecting a reduction in intermediary premium debtor risk. The reinsurance counterparty element of the charge remains a relatively small component of required capital reflecting AICL's approach to diversifying its risk exposure through reinsurance arrangements with a range of counterparties of good credit rating (A- or higher).

Reinsurance payments due to AICL are monitored closely and any overdue payments are managed by the finance function's credit control processes.

Intermediary premium debtor risks are monitored through the use of premium bordereau on a monthly basis and internal controls are in place to ensure that premiums are received at the correct time.

C.4 Liquidity risk

AICL defines liquidity risk as "the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss". AICL recognises that liquidity is more appropriately defined in terms of a minimum buffer of liquidity maintained, rather than relative to Profit Before Taxation.

AICL's appetite for liquidity risk remains low, and free cash, liquid assets and committed borrowing facilities for use anywhere within AICL of not less than £10 million plus a £2m buffer are always maintained. This minimum level of liquidity is kept under review to ensure it remains appropriate for current and expected liquidity needs of the business. In normal circumstances, AICL holds cash type assets above this minimum level.

At 31 December 2025 liquidity levels were very high. 42% (£95 million) of the portfolio is immediately available cash with a further 51% (£114 million) invested in corporate and government fixed income debt for which active markets exist allowing them to be sold ahead of maturity if this were required.

C.5 Operational risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events.

AICL is exposed to a wide range of operational risks that arise in relation to its business model and the external environment in which it operates. These risks include the failure of processes or controls, business continuity, information security and fraud.

Operational risk is assessed as part of the ORSA process and is identified, measured, and monitored through regular review of the risk and controls register and responses to incidents as they arise. Risk oversight and challenge is also provided by the second-line Risk function.

AICL's culture encourages incident reporting to minimise operational risk, ensure matters are dealt with effectively, lessons are learned, and internal controls are improved.

AICL assesses operational risk from the results of the Solvency 2 standard formula calculations. As of 31 December 2025, AICL's operational risk is equivalent to 16% of the SCR.

AICL operates an effective hybrid home and office operating model, with performance of all remote working teams monitored to ensure service levels and productivity remain within overall risk appetite, and that customers face no barriers in making claims or when receiving high quality policy administration services.

Other events which have led to changes in operational risk in the year include:

- The sale of AICL to Ageas (completed in mid-2025) giving rise to integration risks, including key colleague retention.
- Service delivery risks arising from continuation of services provided by Saga to AICL as part of a Transitional Services Agreement
- Ongoing implementation of new insurance pricing algorithms and continued compliance with pricing regulations.
- The evolution of cyber risk, including in a working from home environment.

C.6 Other material risks

C.6.1 Strategic Risk

AICL defines strategic risk as “something that is external to the organisation that, if it occurs, forces a change in strategic direction of the organisation”.

Following the purchase of AICL by Ageas on 1 July 2025, Ageas has confirmed its strategy for only one underwriter in the UK group. As such, AICL commenced a gradual wind down of its business in December 2025. The gradual wind down of AICL represents a change in strategy, with continued focus on good customer outcomes managed alongside a well-managed and solvent exit plan for the AICL entity.

C.6.2 Group Risk

AICL’s group risk changed over 2025 following the purchase of AICL by Ageas, the transfer of AICL’s claims colleagues into Ageas and the outsourcing of all AICL services to Ageas from 1 December 2025. Group risk is considered very low recognising Ageas is a global insurer with a strong credit rating, and robust and mature operational and risk management processes in place.

Despite the sale of AICL to Ageas, exposure to Saga plc group did not materially change over 2025. However, Saga plc group risk significantly reduced following Saga plc’s successful debt refinancing exercise in early 2025 and the completion of the sale of AICL and commencement of the 20 year insurance partnership with Ageas. Saga plc group exposures will also notably reduce over 2026 as AICL is gradually wound down.

C.6.3 Emerging risks

As part of the risk management framework, AICL continues to identify and review emerging risks, being those risks where the likely impact on AICL’s future risk profile is uncertain or longer term in nature.

Recognising that AICL has commenced a gradual wind down of its business the most relevant emerging risk is in relation to global macro conditions where significant volatility remains with escalating geopolitical conditions and impacts to the insurance value chain.

Previously identified emerging risks across the evolution of autonomous vehicles and the pricing of electric vehicles, the impact of data science and the data arms race, market consolidation, and the use of Artificial Intelligence are considered lower risk noting the gradual wind down of AICL.

C.7 Any other information

C.7.1 Stress and scenario tests

As part of the ORSA process the impact of a range of stress scenario tests were assessed, together with specific 1-in-200-year stress tests and reverse stress tests.

For the 2025 ORSA report, the following tests were considered:

Test	Description	Movement in Coverage Ratio (percentage points)
	Modelled stress to coverage ratio	
1	Attritional claims	(6%)
2	Large claims	(5%)
3	Failure to deliver target pricing return	(9%)
4	Investment portfolio stresses	(10%)
5	Intermediary premium debtor delay	(13%)
6	Increase in USPs	(20%)
7	Reinsurance recovery stress	(5%)
8	Intra-group reinsurance stress	(4%)
9	Wind-down stress impacts	(8%)
10	Cyber risks	(1%)
11	Combination of the above stresses with correlation allowance	(36%)
12	Extreme premium debtor	(44%)

In all scenarios, AICL's coverage of the SCR remained above 100%. The more extreme stresses (11 and 12) test AICL's ability to absorb more significant financial downsides. AICL's coverage of the MCR remains above 100% for all scenarios.

If there were a shortfall to the SCR, AICL would consider de-risking and / or recapitalisation options. In practice and recognising the gradual wind down of AICL a reduction in solvency ratio would be managed through reducing planned dividend payments to AICL's shareholder. In such circumstances, AICL would submit a plan to the GFSC as to how it would restore own funds to be sufficient to cover the SCR in a timeline to be agreed with the GFSC.

C.7.2 Other

AICL has no off-balance sheet positions and does not transfer risk to special purpose vehicles.

D. Valuation for Solvency Purposes

This section covers the Solvency 2 and statutory accounts balance sheets and the valuation of assets and liabilities. It provides a description of the bases, methods and main assumptions used for the balance sheet valuation. It also provides an explanation of the material differences between the valuation for Solvency 2 purposes and the valuation in the statutory account financial statements.

A summary of the Solvency 2 and the statutory account balance sheets as at 31 December 2025 is shown in the table below.

The material classes of assets, technical provisions and other liabilities are considered in sections D.1, D.2, and D.3 respectively.

31 December 2025 balance sheet Amounts in £'million	Solvency 2	Statutory Accounts
Assets		
Deferred tax assets	0.9	0.9
Intangible assets	-	-
Property, plant & equipment held for own use	-	0.0
Investments	222.0	217.6
Reinsurance recoverables	135.8	62.3
Insurance and intermediaries' receivables	41.5	66.0
Reinsurance receivables	-	44.0
Cash and cash equivalents	7.6	7.6
Any other assets, not elsewhere shown	0.9	2.9
Total assets	408.8	401.3
Liabilities		
Technical provisions - best estimate	258.3	288.8
Technical provisions - risk margin	7.5	-
Deposits from reinsurers	24.6	-
Deferred tax liabilities	0.4	-
Insurance & intermediaries payables	3.8	3.8
Reinsurance payables	-	0.2
Any other liabilities, not elsewhere shown	20.2	20.2
Total liabilities	314.8	312.9
Excess of assets over liabilities	94.0	88.4

D.1 Assets

D.1.1 Valuation for solvency purposes of each material asset class

At 31 December 2025, AICL held the following assets:

Asset Class Amounts in £'million	Solvency 2	Statutory Accounts	Difference
Deferred tax assets	0.9	0.9	-
Intangible assets	-	-	-
Property, plant & equipment held for own use	-	0.0	(0.0)
Investments:			
Property (other than for own use)	20.4	16.0	4.4
Government Bonds	36.6	28.4	8.2
Corporate Bonds	77.4	85.6	(8.2)
Collective Investments Undertakings	87.7	87.7	0.0
Reinsurance Recoverables:			
Non-life	101.7	62.3	39.4
Life	34.2	-	34.2
Insurance and intermediaries receivables	41.5	66.0	(24.5)
Reinsurance receivables	-	44.0	(44.0)
Cash and cash equivalents	7.6	7.6	-
Any other assets, not elsewhere shown	0.9	2.9	(1.9)
Total Assets	408.8	401.3	7.5

Main differences between the valuation of assets include:

- Reinsurance Recoverables – Solvency 2 captures both excess of loss and quota share recoverables (split life and non-life) as the discounted present value of expected future recovery cashflows. The statutory accounts include excess of loss recoverables only (life and non-life combined), with quota share recoverables netted down with funds withheld account balances and the balance held within reinsurance receivables.
- Insurance & intermediaries' receivables – the statutory accounts include policyholder and intermediary premium debt as well as salvage and subrogated recoverables. Under Solvency 2, only intermediary premium debt is included, with policyholder premium debt and salvage and subrogated recoverables included as negative values within gross technical provisions.
- Reinsurance receivables – the statutory accounts include the net quota share recovery position on all currently open contracts as an asset.

A summary of differences in the valuation methods are described in section D.1.2.

D.1.2 Material differences between solvency valuations and those used for financial statements.

The Solvency 2 and statutory valuation methods used for each asset class are described in the table below:

Item	Asset Class	Solvency 2 Valuation	Statutory Valuation
1	Intangible assets	Not applicable	Depreciated historic costs
2	Property, plant and equipment for own use	Not applicable	Depreciated historic costs
3	Investment Property	Professional market valuation	Depreciated historic costs
4	Participations	Not applicable	Not applicable
5	Government bonds	Quoted market prices in an active market	Amortised value - effective interest rate method
6	Corporate bonds	Quoted market prices in an active market	Amortised value - effective interest rate method
7	Investment funds	Look-through value	Quoted market prices in an active market
8	Deposits other than cash	Expected maturity value plus accrued interest or where quoted market price.	Amortised value - effective interest rate method
9	Reinsurance recoverables: Non-life excluding health	Discounted best estimate (probability-weighted average of all future reinsurance cash flows, discounted to allow for the time value of money).	Expected XoL recoverable. Discounted for periodic payment orders only.
10	Reinsurance recoverables: Life excluding health and index-linked and unit-linked	Discounted best estimate (probability-weighted average of all future reinsurance cash flows, discounted to allow for the time value of money).	Expected XoL recoverable. Discounted for periodic payment orders only.
11	Insurance & intermediaries' receivables	Expected recoverable amount	Expected recoverable amount
12	Receivables (trade, not insurance)	Expected recoverable amount	Expected recoverable amount
13	Cash and cash equivalents	Quoted market prices in an active market	Quoted market prices in an active market
14	Any other assets, not elsewhere shown	Expected recoverable amount	Expected recoverable amount

D.2 Technical provisions

D.2.1 Technical provisions by material line of business

Total Solvency 2 technical provisions, gross and net of reinsurance, by line of business as at 31 December 2025 are shown in the following table:

Line of business Amounts in £'million	Gross best estimate	Recoverable from reinsurance	Net best estimate
Motor vehicle liability insurance	186.5	103.2	83.4
Other motor insurance	13.3	-1.5	14.9
Fire and other damage to property insurance	-0.1	0.0	-0.1
Legal expenses insurance	3.8	0.0	3.8
Assistance	7.0	0.0	7.0
Miscellaneous financial loss	0.4	0.0	0.4
Life	47.2	34.2	13.1
Total best estimate technical provisions	258.3	135.8	122.4

The risk margin by line of business as at 31 December 2025 is shown in the table:

Line of business Amounts in £'million	Risk margin
Motor vehicle liability insurance	5.3
Other motor insurance	0.5
Fire and other damage to property insurance	0.0
Legal expenses insurance	0.1
Assistance	0.2
Miscellaneous financial loss	0.0
Life	1.4
Total risk margin	7.5

The risk margin has been allocated by line of business in proportion to net best estimate technical provisions.

For claims provisions, actuarial projections have been carried out to estimate the ultimate cost of claims for each class of business. With the exception of motor large third-party injury claims, the chain ladder method is the primary method used. This is a commonly used actuarial technique for estimating ultimate claim costs that assumes that the development of claims costs in the future can be based on analysis of the development of historical claim costs from past accident periods. The result is an estimate of the ultimate claims costs for the period being analysed.

For motor large third-party injury claims a Bornhuetter-Ferguson method has also been used. This method is typically used to estimate ultimate claim costs in classes of business with more volatility.

For each accident period, an initial assumption is made about the ultimate claims experience. As the accident period develops, the estimated ultimate claims are based less on the initial estimate and more on actual experience until, after a period of time, the estimated ultimate claims are based entirely on the actual experience.

The data used in the projections fulfils AICL's data quality requirements. The claims data is reconciled to independently produced data held within AICL's Finance department and there have been no material discrepancies between the two data sources since AICL's inception. Reasonableness checks are also performed to ensure that the data is sufficiently accurate, relevant, and complete for solvency reporting.

For premium provisions, these are calculated by taking the unearned premium reserve and multiplying by a forecast combined ratio. The ultimate costs are then transformed into expected future cashflows and discounted to the balance sheet date.

The projected cash flows from the technical provisions are discounted using the GBP risk-free interest rate term structure as produced by the Prudential Regulation Authority.

D.2.2 Uncertainty in the technical provisions

Projections of future cashflows are subject to uncertainty. The technical provisions referred to in this document are based on a best estimate and should be viewed as a central point of a range of possible outcomes. The estimated values for claim costs projected in this way will vary from year to year. The main sources of uncertainty include:

- More recent accident months which have less development
- Changes in claims reporting and handling procedures over time including any impacts arising from the gradual wind down of AICL
- The frequency and severity of large motor third party liability claims
- Inherent variability, particularly in relation to motor insurance third party liability claims with potentially unlimited liability
- Periodic Payment Orders, associated life expectancies of claimants and the uncertainty in inflation and investment returns over the lifetime of those claims
- Change in business mix due to changing risk models
- Changes in the regulatory environment, including events which have a retrospective impact
- The impact of high inflation, arising from global macro-economic and geo-political effects including their impacts to the insurance supply chain
- Other claims inflation uncertainties

D.2.3 Material differences between solvency valuations and those used for financial statements.

The following table shows the difference between the Solvency 2 gross best estimate technical provisions and those reported in the statutory accounts as at 31 December 2025.

Line of business Amounts in £'million	Solvency 2 Gross Best Estimate Technical Provisions	Statutory Accounts Gross Technical Provisions	Difference
Motor vehicle liability insurance	186.5	180.3	6.2
Other motor insurance	13.3	96.7	(83.4)
Fire and other damage to property insurance	-0.1	0.8	(0.9)
Legal expenses insurance	3.8	2.9	0.9
Assistance	7.0	8.4	(1.4)
Miscellaneous financial loss	0.4	0.3	0.1
Life	47.2	-	47.2
Total	258.3	288.8	(30.5)

The main differences between the valuation of gross technical provisions under Solvency 2 versus statutory accounts relate to:

- discounting of provisions
- different escalation rate assumptions for PPO payment between statutory accounting and Solvency 2
- the recognition of profit/loss within the unearned premium provision under Solvency 2, and
- the inclusion of a specific margin above best estimate provisions under statutory accounting, which is replaced by a specific ENIDs (events not in data) allowance and a risk margin under Solvency 2
- treatment of salvage and subrogation recoveries: captured within gross technical provisions under Solvency 2 but captured elsewhere (insurance and intermediaries receivables) in the statutory accounts

D.2.3.1 Solvency 2 valuation bases

Solvency 2 technical provisions consist of best estimate technical provisions and a risk margin.

D.2.3.1.1 Best estimate technical provisions

Best estimate technical provisions are made up of claims provisions and premium provisions.

The claims provision is the expected present value of all future cash flows arising from claim events that occurred prior to the valuation date.

The premium provision is the expected present value of all future cash flows arising from the unexpired portion of business that the insurer is obligated to at the valuation date.

The cash flows consist of all future inflows and outflows including claim payments net of salvage and subrogated recoveries, expenses, ENIDs allowance, reinsurance costs and recoveries and future premiums stemming from existing policies.

Claims and premium provisions are calculated gross and net of reinsurance. Reinsurance recoveries arising from best estimate technical provisions are reported separately as assets on the Solvency 2 balance sheet.

D.2.3.1.2 Risk margin

The risk margin is defined within Regulation 67 of the Financial Services (Insurance Companies) Regulations 2020 and is the cost of providing the capital to cover the SCR over the lifetime of the liabilities. It represents the potential costs of transferring insurance obligations to a third party should an insurer fail.

It is intended to reflect the value another insurer would require in order to take over and meet the insurance obligations.

The risk margin is calculated net of reinsurance and reflects a 4% cost of capital.

The Solvency 2 valuation bases do not vary by line of business.

D.2.3.2 Statutory Accounts valuation bases

D.2.3.2.1 Claims outstanding provision

The provision for claims outstanding represents an estimate of the ultimate cost of all claims notified but not settled by the balance sheet date, together with a provision for related claims handling costs. The provision includes the estimated cost of claims incurred but not reported at the balance sheet date based on statistical methods. With the exception of periodic payment orders ('PPOs') awarded in the settlement of bodily injury claims, the claim's outstanding provision is not discounted for the time value of money. Under statutory accounting the claims outstanding provision includes a margin above best estimate claims provisions.

The amount of anticipated reinsurance, salvage and subrogation recoveries is separately identified and where material, reported separately as an asset.

Differences between the estimated cost and subsequent settlement of claims are dealt with in the appropriate technical account for the year in which they are settled or re-estimated.

D.2.3.2.2 Provision for unearned premiums

The provision for unearned premiums represents that proportion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is calculated using the 24ths method.

D.2.3.2.3 Provision for unexpired risks

A provision for unexpired risks is maintained, when required, to cover the estimated excess of net liabilities over the associated unearned premium reserve after taking future investment return into account. An assessment is made for each grouping of business that is managed together such that the offsetting of any surpluses and deficits can only occur within each group.

Estimates for claims, investment return and other directly related income and expenses are based on information available at the balance sheet date.

The statutory valuation bases do not vary by line of business.

D.2.4 Matching adjustment

The matching adjustment referred to in Regulation 68 of the Regulations has not been applied in any of the calculations of the technical provisions, the SCR, the MCR, the basic own funds and the amounts of own funds eligible to cover the SCR and the MCR.

D.2.5 Volatility adjustment

The volatility adjustment referred to in Regulation 70 of The Regulations has not been applied in any of the calculations of the technical provisions, the SCR, the MCR, the basic own funds and the amounts of own funds eligible to cover the SCR and the MCR.

D.2.6 Transitional risk-free interest rate-term structure

The transitional risk-free interest rate term structure referred to in Schedule 1 of The Regulations has not been applied in any of the calculations of the technical provisions, the SCR, the MCR, the basic own funds and the amounts of own funds eligible to cover the SCR and the MCR.

D.2.7 Transitional measure on technical provisions

The transitional deduction referred to in Schedule 1 of The Regulations has not been applied in any of the calculations of the technical provisions, the SCR, the MCR, the basic own funds and the amounts of own funds eligible to cover the SCR and the MCR.

D.2.8 Other

D.2.8.1 Recoverables from reinsurance contracts and special purpose vehicles

AICL has two primary reinsurance structures and one primary coinsurance arrangement in place, as follows:

- Individual and aggregate excess of loss reinsurance covering all motor policies
- Quota share reinsurance covering all motor policies
- Coinsurance covering all household policies

D.2.8.1.1 Excess of Loss reinsurance cover covering all motor policies

Since AICL's inception in 2004, AICL has purchased reinsurance cover on an annual basis to mitigate the risks of particularly large motor liability claims as well as a concentration of claims in any short period due to, for example weather events.

D.2.8.1.2 Motor insurance quota share

AICL signed a quota share reinsurance treaty in early 2016 to provide reinsurance cover on a quota share basis for its motor business. The quota share arrangement applied to AICL's retained claims and premiums after the impact of the excess of loss reinsurance described above. AICL retains a portion of the overall risk to ensure alignment of interest between itself and the reinsurer partners. There are no sliding scale commissions in the arrangement. The treaty expired on 31 January 2019 and was commuted after a further three years at 31 January 2022.

A new treaty commenced on 1 February 2019 on principally the same terms with the addition of a second reinsurer into the partnership and a marginally reduced retention to AICL. The new treaty operates on a continuous cover basis with a 3-year rolling notice period. Experience is pooled into 3-year performance periods. The first three years finished accruing exposures on 31 January 2022 and has since been fully commuted.

A new 3-year performance period commenced on 1 February 2022 and ended on 31 January 2025. A final performance period commenced on 1 February 2025 and cover ceases in early 2026 following notice served by QS partners. No replacement motor QS will be put in place.

D.2.8.1.3 Home insurance arrangement

AICL began underwriting home insurance business (buildings and contents insurance) during 2012. This business is written on a coinsurance basis with the coinsurance partner taking the majority of the risk. The risk retained by AICL is immaterial.

D.2.8.2 Material changes in the relevant assumptions made in the calculation of technical provisions compared to the previous reporting period

There have been no material changes in the calculation of the technical provisions compared to the previous reporting period.

D.3 Other liabilities

D.3.1 Valuation of liabilities other than Technical Provisions

The liabilities other than technical liabilities as at 31 December 2025 are shown in the following table:

Liability Class Amounts in £'million	Solvency 2	Statutory Accounts	Difference
Deposits from reinsurers	24.6	-	24.6
Deferred tax liabilities	0.4	-	0.4
Insurance & intermediaries payables	3.8	3.8	-
Reinsurance payables	-	0.2	(0.2)
Any other liabilities, not elsewhere shown	20.2	20.2	-
Total Liabilities	49.0	24.1	24.9

Other than the valuation differences described in section D.3.2, the differences in the Solvency 2 and statutory accounts values are a result of differences in the rules governing the classification of assets and liabilities.

D.3.2 Material differences between solvency valuations and those used for financial statements

D.3.2.1 Deposits from reinsurers

On a Solvency 2 basis, this reflects the quota share funds withheld account and quota share profit commission payable balances.

In the statutory accounts, these balances are classified in assets under reinsurance receivables, which nets down with the excess of loss and quota share recoverable balance to give a net reinsurance receivable position.

D.3.2.2 Deferred tax liability

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

There is an additional Solvency 2 deferred tax liability calculated as the difference between the Solvency 2 and statutory accounts net assets (excluding the deferred tax liability) multiplied by the deferred tax rate.

D.3.2.3 Insurance & intermediaries payables

This represents amounts payable to policyholders, insurers and other business linked to insurance that are not included in technical provisions.

On a Solvency 2 basis, this includes only amounts past-due.

D.3.2.4 Reinsurance payables

This represents amounts payable to reinsurers other than deposits linked to reinsurance business that are not included in reinsurance recoverables. Reinsurance payables include payables to excess of loss reinsurers that relate to ceded premiums.

On a Solvency 2 basis, this includes only amounts past-due.

D.3.2.5 Any other liabilities, not elsewhere shown

This represents the total of any other liabilities, not elsewhere already included in other Balance Sheet items.

D.4 Alternative methods for valuation

AICL does not apply alternative methods for valuation.

D.5 Any other information

There is no other material information to be reported in this section.

E. Capital Management

E.1 Own funds

E.1.1 Management of own funds

AICL has a Board-approved Capital Management Policy. The policy specifies a target range and minimums for AICL's SCR ratio. Capital projections are reviewed regularly as part of the Own Risk and Solvency Assessment (ORSA) process to ensure adequate solvency coverage over the duration of the planning period.

Over the planning period, SCR movements will reflect plan volumes, premium and profit, together with the impact of these through to claims provisions, investments and counterparty receivables. To maintain the margin above the SCR at an appropriate level, surplus own funds can be distributed to the shareholder via dividend payments provided certain conditions are met, including approval of the distribution by the Board and no objection from the GFSC.

E.1.2 Amount of own funds by tier

AICL's own funds as at 31 December 2025 (and prior year end) are as follows:

Description Amounts in £'millions	Tier	31 December 2025	31 January 2025
Ordinary Share Capital	1	30.0	30.0
Reconciliation Reserve	1	63.5	63.8
Net Deferred Tax Assets	3	0.5	-
Total		94.0	93.8

E.1.3 Eligibility of own funds to cover the Solvency Capital Requirement, classified by tiers

All own funds shown in the table above are eligible to cover the SCR.

E.1.4 Eligibility of own funds to cover the Minimum Capital Requirement, classified by tiers

All tier 1 own funds shown in the table above are eligible to cover the MCR.

E.1.5 Explanation of any material differences between equity as shown in the undertaking's financial statements and the excess of assets over liabilities as calculated for solvency purposes

The table below shows the reconciliation between the equity shown in the statutory accounts and the excess of assets over liabilities as calculated for solvency purposes as at 31 December 2025:

Description Amounts in £'million	Solvency 2	Statutory Accounts
Ordinary share capital	30.0	30.0
Retained earnings including profits from the year	60.1	60.1
Other reserves from accounting balance sheet	(1.7)	(1.7)
Adjustments to assets	7.5	-
Adjustments to technical provisions	22.9	-
Adjustments to other liabilities	(24.9)	-
Total	94.0	88.4

The main differences between the Solvency 2 and statutory accounts are the valuation methods used in the calculation of property values and technical provisions.

E.1.6 Transitional arrangements

No own funds items are subject to transitional arrangements.

E.1.7 Ancillary own funds

There are no items of ancillary own funds.

E.1.8 Restrictions on assets

No own funds items have any restrictions placed on them.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Amount of the SCR and the MCR

The SCR and MCR as at 31 December 2025 and 31 January 2025 are shown in the following table:

Risk Category Amounts in £'million	31 December 2025	31 January 2025
Non-Life Underwriting Risk	25.8	25.1
Market Risk	12.4	12.9
Counterparty Default Risk	6.6	9.4
Life Underwriting Risk	1.3	1.1
Diversification Benefit	-10.8	-11.7
Basic SCR	35.3	36.8
Operational Risk	6.5	8.5
LACDT Adjustment	0.0	0.0
SCR	41.9	45.3
MCR	18.8	18.0

The SCR has decreased over the year primarily due to a reduction in counterparty default risk (reflects lower premium debtor risk from writing less business) and a reduction in operational risk (due to a reduction in gross technical provisions).

The MCR has increased, primarily due to the reduction in risk mitigation provided by the motor QS reflecting termination of cover in early 2026.

The SCR and MCR coverage ratios are shown in the table below:

Year ended Amounts in £'million	31 December 2025	31 January 2025
SCR	41.9	45.3
Own Funds	94.0	93.8
SCR Coverage Ratio	224%	207%
MCR	18.8	18.0
MCR Coverage Ratio	496%	521%

The coverage ratios have changed over the year due to the movements in the SCR and MCR for the reasons noted above.

E.2.2 Simplified calculations

No simplified calculations are used in the calculation of the SCR.

E.2.3 Undertaking-specific parameters

Undertaking-specific parameters are used in the following elements of the premium and reserve risk sub-module of the non-life underwriting risk:

- Motor liability premium risk
- Motor liability reserve risk
- Motor other premium risk

E.2.4 Use of undertaking-specific parameters that the undertaking is required to use in accordance with Regulation 100(3) of The Regulations

The GFSC has not required the use of undertaking-specific parameters in accordance with Regulation 100(3) of The Regulations.

E.2.5 Loss Absorbing Capacity of Deferred Taxes (LACDT)

No LACDT credit has been taken within the calculation of the SCR.

E.2.6 Inputs used to calculate the Minimum Capital Requirement

The following inputs were used to calculate the MCR as at 31 December 2025:

Line of business Amounts in £'million	Net best estimate technical provisions	Net written premium in last 12 months
Motor Vehicle liability insurance	104.8	57.1
Other motor insurance	2.2	30.8
Fire and other damage to property insurance	-	0.0
Legal expenses insurance	3.8	2.9
Assistance	7.0	22.4
Miscellaneous financial loss	0.4	0.5
Other (Periodic Payment Orders)	13.1	-

E.3 Differences between the standard formula and any internal model used

AICL has not used an internal model in any part of the calculation of the SCR or MCR.

E.4 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

AICL has maintained sufficient own funds to meet both the SCR and MCR at all times during the financial year.

E.5 Any other information

There is no other material information to be reported in this section.

F. Glossary of Terms

Key terms used in this document are defined below:

Term	Definition
AICL, the Company	Acromas Insurance Company Limited
AIL	Ageas Insurance Limited. Ageas UK's PRA regulated underwriting entity.
ARCC	Audit, Risk and Compliance Committee
ARL	Ageas Retail Limited. Sister company within Ageas Group who AICL outsource claim handling and several other services to.
Best estimate technical provisions	Solvency 2 best estimate technical provisions are best estimates of the future cashflows arising from (a) the element of business for which the insurance cover has already been provided and (b) the unexpired portion of business that the insurer is obligated to at the valuation date. The elements (a) and (b) are referred to as claims provisions and premium provisions respectively.
Board	The board of directors of the Company
CiC (Change in Control)	Refers to the change in ownership of AICL from Saga to Ageas which occurred on 1 July 2025.
CHMC	Prior to CiC, handling of motor and home insurance claims was undertaken by CHMC, a Saga plc company established to provide claims handling services. These services are now handled by ARL by former CHMC colleagues using the same systems, process and controls as they used when owned by Saga.
Claims provision	Solvency 2 claims provisions are the expected present value of all future cash flows arising from claim events that occurred prior to the valuation date. The cash flows consist of all future inflows and outflows including claim payments net of salvage and subrogated recoveries, expenses, ENIDs allowance, reinsurance costs and recoveries.
Coinsurance	A contractual arrangement where two or more insurers agree to underwrite insurance business in specified proportions. Each coinsurer is directly liable to the policyholder for their share.
Events not in data (ENIDs)	An allowance for ENIDs reflects low probability but high severity events that may not be represented in data based on past experience.
GFSC	Gibraltar Financial Services Commission. AICL is regulated by the GFSC.
Gross written premium	Total premiums from contracts that inceptioned during the period.
Incurred but not reported (IBNR)	Reserves established for insurance claims or events that have happened but have not yet been reported to the insurer.
MCR	Minimum Capital Requirement. In addition to the SCR, the MCR is calculated which represents the threshold below which the regulator would intervene. The MCR is the capital required to ensure that the insurer will be able to meet its obligations over the next 12 months with a probability not less than 85%.
Net claims incurred	The cost of claims in the period less any claims costs recovered under excess of loss reinsurance contracts. It includes claims payments and movements in claims reserves (including IBNR).
Net earned technical income	The element of premiums and other income less the cost of excess of loss reinsurance from contracts for the period where insurance cover has already been provided.

Term	Definition
Net written premium	Total premiums from contracts that incepted during the period less the cost of all reinsurance.
ORSA	Own Risk and Solvency Assessment. A forward-looking assessment of the company's risks and associated capital requirements, over the business planning period.
Own funds	The eligible funds an insurer has on the balance sheet to cover its SCR and MCR requirements.
PPACC	Pricing, Product and Customer Committee
Premium provision	Solvency 2 premium provisions are the expected present value of all future cash flows arising from the unexpired portion of business that the insurer is obligated to at the valuation date. The cash flows consist of all future inflows and outflows including claim payments net of salvage and subrogated recoveries, expenses, ENIDs allowance, reinsurance costs and recoveries. Policyholder debt is included as a negative premium provision.
QS (Quota Share)	A form of proportional reinsurance, enabling the insurer to retain some of the risk and premium while proportionately sharing the rest with a reinsurer up to an agreed maximum coverage.
Reinsurance	A contractual agreement where the insurer transfers part or all of the insurance risk to a reinsurer. This can be on an excess of loss basis (where the reinsurer is liable for claims above an agreed level), or a quota share basis (both parties share risk exposure according to a fixed percentage).
Risk margin	The Solvency 2 risk margin represents the potential costs of transferring insurance obligations to a third party should an insurer fail.
SCR	Solvency Capital Requirement. The amount of funds that insurers are required to hold under Solvency 2. The SCR is the capital required to ensure that the insurer will be able to meet its obligations over the next 12 months with a probability of at least 99.5%. A regulatory ladder of intervention applies once the capital holding of the insurer falls below the SCR, with the intervention becoming progressively more intense as the capital holding approaches the MCR.
Solvency 2	The regulatory regime for the European insurance industry, which came into force on 1 January 2016. It primarily concerns the amount of capital that insurers must hold to reduce the risk of insolvency. It also covers governance and accountability, risk assessment and management, supervision, reporting and public disclosure. The Solvency 2 Regulations have been transposed into Gibraltar Legislation and are aligned with Solvency UK.
Statutory Accounts	Audited financial statements for the financial year. Financial year end changed from January to December following change in control in July 2025, resulting in a shortened 11 month period to 31 December 2025. Prepared in accordance with Companies Act 2014, Financial Services Act 2019 and Gibraltar Financial Reporting Standards, including FRS 102/103
Technical provisions	Technical provisions are a best estimate of future insurance cash flows combining both the Claims and Premium Provisions (referenced above) and a risk margin under Solvency 2.

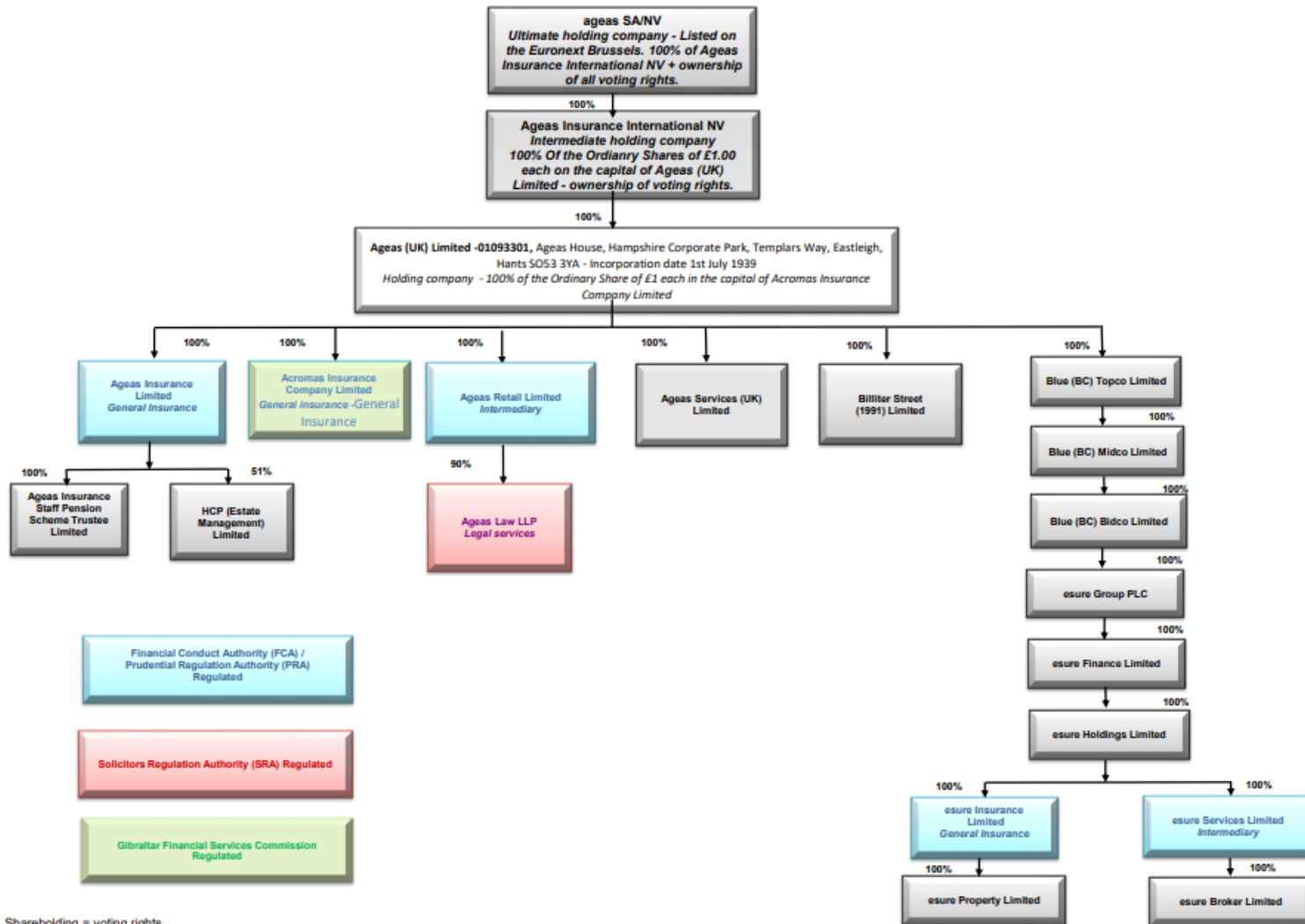
Term	Definition
The Regulations	Refers to Gibraltar Financial Services (Insurance Companies) Regulations 2020 (regulations that apply to insurers established in Gibraltar) and Financial Services (Insurance Supervisory Reporting) (Technical Standards) Regulations 2025.
Underwriting	The process through which an insurer takes on insurance risk for a fee. The process includes assessing whether the risk is acceptable, the appropriate premium and the terms and conditions of the cover.
USPs	Undertaking-specific parameters: regulatory approved factors specific to the insurer that replace standard factors from the Regulations used in the calculation of premium and reserve risk capital charges.

G. Additional Information

G.1 Ageas company structure

The Ageas company structure is shown in the following chart:

Ageas UK Entity Chart



G.2 Quantitative reporting templates

IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0
Deferred tax assets	R0040	898,897
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	222,036,479
Property (other than for own use)	R0080	20,395,000
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	0
Equities - listed	R0110	0
Equities - unlisted	R0120	0
Bonds	R0130	113,990,762
Government Bonds	R0140	36,573,680
Corporate Bonds	R0150	77,417,082
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	87,650,717
Derivatives	R0190	0
Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	0
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	135,849,969
Non-life and health similar to non-life	R0280	101,667,999
Life and health similar to life, excluding index-linked and unit-linked	R0315	34,181,970
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	41,472,089
Reinsurance receivables	R0370	0
Receivables (trade, not insurance)	R0380	0
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	7,624,356
Any other assets, not elsewhere shown	R0420	947,247
Total assets	R0500	408,829,038

IR.02.01.02 continued Balance sheet

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	R0505	265,843,132
Technical provisions - non-life	R0510	217,223,335
Technical provisions - life	R0515	48,619,798
Best estimate - total	R0542	258,293,449
Best estimate - non-life	R0544	211,049,558
Best estimate - life	R0546	47,243,891
Risk margin - total	R0552	7,549,684
Risk margin - non-life	R0554	6,173,777
Risk margin - life	R0556	1,375,907
Transitional (TMTP) - life	R0565	0
Other technical provisions	R0730	
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	24,639,897
Deferred tax liabilities	R0780	385,670
Derivatives	R0790	0
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	3,778,432
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	0
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Any other liabilities, not elsewhere shown	R0880	20,185,738
Total liabilities	R0900	314,832,868
Excess of assets over liabilities	R1000	93,996,170

IR.05.04.02 - Non-life income and expenditure : reporting period

	All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)							
	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)							C0260
	Line of Business for: non-life insurance and accepted proportional reinsurance obligations							
	Motor vehicle liability insurance - personal lines	Motor vehicle other motor insurance - personal lines	Fire and other damage to property insurance - personal lines	Legal expenses insurance	Assistance			
C0010	C0015	C0140	C0150	C0170	C0240	C0250		
Income								
Premiums written								
Gross written premiums	R0110	123,461,081.77	64,740,355.37	34,860,191.36	32,621.47	2,691,659.67	20,704,512.34	431,741.56
Gross written premiums - insurance (direct)	R0111	123,461,081.77	64,740,355.37	34,860,191.36	32,621.47	2,691,659.67	20,704,512.34	431,741.56
Gross written premiums - accepted reinsurance	R0113							
Net written premiums	R0160	43,800,455.97	13,108,404.60	7,058,371.71	-194,233.91	2,691,659.67	20,704,512.34	431,741.56
Premiums earned and provision for unearned								
Gross earned premiums	R0210	132,394,268.76	70,903,283.80	38,178,691.27	184,926.02	2,300,850.33	20,115,815.31	710,702.03
Net earned premiums	R0220	43,484,623.62	13,216,269.07	7,116,452.58	24,534.30	2,300,850.33	20,115,815.31	710,702.03
Expenditure								
Claims incurred								
Gross (undiscounted) claims incurred	R0610	99,565,061.41	48,852,170.33	26,305,014.79	814,092.06	823,279.38	21,491,729.81	1,278,775.04
Gross (undiscounted) claims incurred - insurance (direct)	R0611	99,565,061.41	48,852,170.33	26,305,014.79	814,092.06	823,279.38	21,491,729.81	1,278,775.04
Gross (undiscounted) claims incurred - accepted reinsurance	R0612	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net (undiscounted) claims incurred	R0690	29,771,498.75	3,480,702.44	1,874,224.39	820,394.75	823,279.38	21,491,729.81	1,281,167.97
Net (discounted) claims incurred	R0730	29,771,498.75						
Analysis of expenses incurred								
Technical expenses incurred net of reinsurance ceded	R0910	7,346,304.48						
Acquisition costs, commissions, claims management costs	R0985							
Other expenditure								
Other expenses	R1140							
Total expenditure	R1310	42,381,830.86						

Reinsurers share	R0340		09,793,502.07	09,793,502.07
Net	R0400	0.00	29,771,498.75	29,771,498.75
Net expenses incurred	R0550		7,346,304.48	7,346,304.48

IR.17.01.01

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance						Total Non-Life obligation
		Motor vehicle liability insurance	Other motor insurance	Fire and other damage to property insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	
		C0050	C0060	C0080	C0110	C0120	C0130	
Best estimate								
Premium provisions								
Gross - Total	R0060	36,233,444	17,696,821	19,478	1,016,188	5,732,334	614,018	61,312,282
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	8,591,937	3,261,599	-3				11,853,533
Net Best Estimate of Premium Provisions	R0150	27,641,507	14,435,222	19,481	1,016,188	5,732,334	614,018	49,458,750
Claims provisions								
Gross - Total	R0160	150,296,019	-4,366,312	-81,739	2,820,800	1,309,827	-241,319	149,737,276
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	94,584,156	-4,810,654	40,965	0	0	0	89,814,467
Net Best Estimate of Claims Provisions	R0250	55,711,863	444,342	-122,704	2,820,800	1,309,827	-241,319	59,922,809
Total Best estimate - gross	R0260	186,529,463	13,330,508	-62,261	3,836,987	7,042,161	372,699	211,049,558
Total Best estimate - net	R0270	83,353,370	14,879,564	-103,223	3,836,987	7,042,161	372,699	109,381,559
Risk margin	R0280	5,328,512	507,243	2,311	112,319	204,135	19,257	6,173,777
Technical provisions - total (best estimate plus risk margin)								
Technical provisions - total	R0320	191,857,975	13,837,751	-59,950	3,949,306	7,246,296	391,957	217,223,335
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	103,176,093	-1,549,055	40,962	0	0	0	101,667,999
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	88,681,882	15,386,807	-100,912	3,949,306	7,246,296	391,957	115,555,335

IR.19.01.21

Non-life insurance claims

Unit	GBP
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Accident year	20020	1
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Gross Claims Paid (non-cumulative) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100											1,605,916
N-9	R0160	110,547,357	23,233,693	9,704,123	6,556,247	2,959,031	2,487,508	966,004	2,309,214	278,117	4,529,443	
N-8	R0170	107,468,137	24,762,438	7,230,653	9,817,996	9,526,525	5,702,477	2,731,333	350,970	971,744		
N-7	R0180	110,299,895	29,801,922	3,928,628	3,801,275	5,897,099	3,333,957	1,382,269	6,478,088			
N-6	R0190	112,274,680	28,857,302	7,691,557	5,968,822	7,592,543	1,949,007	2,992,221				
N-5	R0200	69,773,398	18,278,184	4,373,247	3,717,363	2,789,864	1,154,626					
N-4	R0210	74,550,233	31,668,347	6,703,355	27,136,628	4,779,410						
N-3	R0220	92,558,421	35,342,654	6,693,614	16,342,288							
N-2	R0230	91,699,205	27,336,021	3,278,532								
N-1	R0240	89,510,246	12,143,872									
N	R0250	67,862,344										

	In Current year	Sum of years (cumulative)
	C0170	C0180
R0100	1,605,916	1,031,797,652
R0160	4,529,443	163,570,738
R0170	971,744	168,562,274
R0180	6,478,088	164,923,134
R0190	2,992,221	167,326,132
R0200	1,154,626	100,086,681
R0210	4,779,410	144,837,973
R0220	16,342,288	150,936,976
R0230	3,278,532	122,313,758
R0240	12,143,872	101,654,118
R0250	67,862,344	67,862,344
R0260	122,138,483	2,383,871,782

Gross undiscounted Best Estimate Claims Provisions - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											55,608,013
N-9	R0160	132,864,256	-46,106,625	-37,105,029	-10,014,200	-30,216,564	-3,911,942	-856,991	8,161,524	-7,016,823	-5,329,114	
N-8	R0170	127,809,287	-55,558,816	-20,100,053	-21,794,623	-16,743,343	-7,585,028	-3,859,161	-271,825	-1,185,005		
N-7	R0180	91,807,178	-31,948,715	-4,536,724	-15,313,010	-13,431,973	1,399,603	-2,238,961	-21,818,092			
N-6	R0190	101,101,473	-50,343,312	-13,705,196	-15,454,129	-12,946,637	-1,753,963	-5,767,351				
N-5	R0200	54,781,343	-17,083,284	-17,902,366	-11,503,379	-4,315,081	-3,231,922					
N-4	R0210	75,966,640	-3,838,704	34,740,795	-93,540,107	-8,904,425						
N-3	R0220	101,591,829	-36,718,167	-17,728,533	-13,789,921							
N-2	R0230	113,616,828	-72,735,430	-7,156,099								
N-1	R0240	67,612,670	-20,764,124									
N	R0250	67,895,980										

	Year end (discounted data)
	C0360
R0100	49,989,492
R0160	335,494
R0170	318,702
R0180	3,235,421
R0190	450,821
R0200	135,188
R0210	1,310,574
R0220	17,986,883
R0230	17,628,055
R0240	23,660,730
R0250	36,564,144
R0260	151,615,505

IR.23.01.01

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	30,000,000	30,000,000			
Share premium account related to ordinary share capital	R0030	0				
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Surplus funds	R0070	0				
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	63,482,942	63,482,942			
Subordinated liabilities	R0140	0				
An amount equal to the value of net deferred tax assets	R0160	513,228				513,228
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Total basic own funds	R0290	93,996,170	93,482,942	0	0	513,228
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees	R0340	0				
Letters of credit and guarantees other	R0350	0				
Supplementary members calls	R0360	0				
Supplementary members calls - other	R0370	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	93,996,170	93,482,942	0	0	513,228
Total available own funds to meet the MCR	R0510	93,482,942	93,482,942			
Total eligible own funds to meet the SCR	R0540	93,996,170	93,482,942			513,228
Total eligible own funds to meet the MCR	R0550	93,482,942	93,482,942	0		
SCR	R0580	41,874,429				
MCR	R0600	18,843,493				
Ratio of Eligible own funds to SCR	R0620	224%				
Ratio of Eligible own funds to MCR	R0640	496%				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	93,996,170
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Deductions for participations in financial and credit institutions		
Other basic own fund items	R0730	30,513,228
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	63,482,942

IR.25.04.01

Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	12,394,341.70
Interest rate risk	R0070	5,353,161.68
Equity risk	R0080	0.00
Property risk	R0090	5,098,750.00
Spread risk	R0100	4,723,028.83
Concentration risk	R0110	0.00
Currency risk	R0120	0.00
Other market risk	R0125	0.00
Diversification within market risk	R0130	-2,780,598.81
Counterparty default risk	R0180	6,586,207.11
Type 1 exposures	R0150	2,172,234.40
Type 2 exposures	R0160	4,798,400.39
Other counterparty risk	R0165	0.00
Diversification within counterparty default risk	R0170	-384,427.67
Life underwriting risk	R0270	1,316,268.53
Mortality risk	R0190	0.00
Longevity risk	R0200	1,205,344.00
Disability-Morbidity risk	R0210	0.00
Life-expense risk	R0220	36,385.43
Revision risk	R0230	279,265.83
Lapse risk	R0240	0.00
Life catastrophe risk	R0250	0.00
Other life underwriting risk	R0255	0.00
Diversification within life underwriting risk	R0260	-204,726.72
Total health underwriting risk	R0320	0.00
Health SLT risk	R0280	0.00
Health non SLT risk	R0290	0.00
Health catastrophe risk	R0300	0.00
Other health underwriting risk	R0305	0.00
Diversification within health underwriting risk	R0310	0.00
Non-life underwriting risk	R0370	25,811,555.32
Non-life premium and reserve risk (ex catastrophe risk)	R0330	24,333,462.50
Non-life catastrophe risk	R0340	4,457,766.15
Lapse risk	R0350	104,253.56
Other non-life underwriting risk	R0355	0.00
Diversification within non-life underwriting risk	R0360	-3,083,926.90
Intangible asset risk	R0400	0.00
Operational and other risks	R0430	6,544,084.25
Operational risk	R0422	6,544,084.25
Other risks	R0424	0.00
Total before all diversification	R0432	59,106,137.02
Total before diversification between risk modules	R0434	52,652,456.91
Diversification between risk modules	R0436	-10,778,028.07
Total after diversification	R0438	41,874,428.84
Loss-absorbing capacity of technical provisions	R0440	0.00
Loss-absorbing capacity of deferred taxes	R0450	0.00
Other adjustments	R0455	0.00
Solvency capital requirement including undisclosed capital add-on	R0460	41,874,428.84
Disclosed capital add-on - excluding residual model limitation	R0472	0.00
Disclosed capital add-on - residual model limitation	R0474	0.00
Solvency capital requirement including capital add-on	R0480	41,874,428.84
Biting interest rate scenario	R0490	Decrease
Biting life lapse scenario	R0495	

IR.28.01.01

Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations		MCR components	
		C0010	
MCRNL Result	R0010		20,714,667

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	0	0
Income protection insurance and proportional reinsurance	R0030	0	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	104,780,422	57,094,776
Other motor insurance and proportional reinsurance	R0060	2,165,624	30,800,257
Marine, aviation and transport insurance and proportional reinsurance	R0070	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	0	25,704
General liability insurance and proportional reinsurance	R0090	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	3,836,987	2,884,286
Assistance and proportional reinsurance	R0120	7,042,161	22,377,828
Miscellaneous financial loss insurance and proportional reinsurance	R0130	372,699	506,814
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0

Linear formula component for life insurance and reinsurance obligations		C0040	
MCRL Result	R0200		274,300

Total capital at risk for all life (re)insurance obligations		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	0	
Obligations with profit participation - future discretionary benefits	R0220	0	
Index-linked and unit-linked insurance obligations	R0230	0	
Other life (re)insurance and health (re)insurance obligations	R0240	13,061,920	
Total capital at risk for all life (re)insurance obligations	R0250		0

Overall MCR calculation		C0070	
Linear MCR	R0300		20,988,967.10
SCR	R0310		41,874,428.84
MCR cap	R0320		18,843,492.98
MCR floor	R0330		10,468,607.21
Combined MCR	R0340		18,843,492.98
Absolute floor of the MCR	R0350		2,400,000.00
Minimum Capital Requirement	R0400		18,843,492.98